INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

Insolvency Resolution Process for Personal Guarantors to Corporate Debtors Regulations, 2019

Full regulation text, expanded — with section mapping to the Code

Amended up to 02-06-2026

Notification No. IBBI/2019-20/GN/REG050 | In force from 01 December 2019

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CHAPTER I

Preliminary

Short title, application and definitions • Regulations 1 to 3

Reg 1–2 Short Title, Commencement & Application

1. Short title and commencement

(1) These regulations may be called the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019.

(2) They shall come into force from the 1st day of December, 2019.

2. Application

These regulations shall apply to the insolvency resolution process for personal guarantors to corporate debtors.

Enabling provisions: Made in exercise of powers under clause (t) of sub-section (1) of section 196, sub-section (1) and clauses (zn), (zo), (zp) and (zq) of sub-section (2) of section 240, read with clause (e) of section 2 and section 60 of the Code.

§ **Sections of the Code mapped**

- s. 196(1)(t) — Board's powers & functions
- s. 240(1), (2)(zn)–(zq) — power to make regulations
- s. 2(e) — application to personal guarantors
- s. 60 — Adjudicating Authority (NCLT)

Part III of the Code (ss. 78–187) governs insolvency resolution and bankruptcy for individuals and partnership firms; s. 60 vests jurisdiction for PGs to corporate debtors in the NCLT.

Reg 3 Definitions (Part 1 of 2)

In these regulations, unless the context otherwise requires —

(a) "associate" in relation to a creditor, a resolution professional or professionals engaged by the RP, shall have the same meaning as assigned to it in relation to a debtor in sub-section (2) of section 79;

(b) "Code" means the Insolvency and Bankruptcy Code, 2016 (31 of 2016);

(c) "corporate debtor" means a corporate person for whom the guarantor has given a personal guarantee;

(d) "electronic means" means an authorised and secured computer programme capable of producing confirmation of sending communication to the participant entitled to receive it at the last e-mail address provided, and keeping record of such communication;

(e) [omitted] — "form" definition omitted w.e.f. 02-06-2026 (Notn. REG149).

(f) "participant" means a person entitled to attend a meeting of creditors and includes a creditor, the guarantor, the resolution professional, and any other person authorised through a resolution by creditors to attend such meeting;

§ **Sections of the Code mapped**

- s. 79(2) — meaning of "associate"
- s. 5(24) — "related party"
- s. 100 — admission of application
- s. 60 — Adjudicating Authority

"Resolution process commencement date" ties to admission under section 100; "related party" borrows the section 5(24) meaning.

Reg 3

Definitions (Part 2 of 2)

(g) “resolution process” means the insolvency resolution process of a guarantor;

(h) “resolution process commencement date” means the date of admission of an application under section 100;

(i) “resolution process costs” shall mean —

(i) fees payable to the resolution professional;

(ii) expenses incurred on and by the RP for carrying out the resolution process, including the fee of professionals engaged, if any;

(iii) finances raised for the resolution process, and costs incurred in raising them; and

(iv) such other costs directly relatable to the resolution process — to the extent approved or ratified by the creditors;

(j) “section” means section of the Code;

(k) words and expressions used and not defined here but defined in the Code and the Application to AA Rules, 2019 shall carry the meanings assigned to them therein.

§ **Sections of the Code mapped**

- s. 100 — commencement date
- s. 5(13) analogue — process costs concept
- Application to AA (PG) Rules, 2019

Resolution process costs enjoy priority in the repayment plan (see Reg 17(1)(b)).

CHAPTER II

General

Eligibility of RP, records, debt counselling & statement of assets • Regs 4 to 6A

Reg 4

Eligibility of Resolution Professional (1 of 2)

(1) An insolvency professional shall be eligible to be appointed as RP for a resolution process, if —

(a) he, the insolvency professional entity (IPE) of which he is a partner or director, and all the partners and directors of that IPE are independent of the guarantor;

(b) he is not subject to any ongoing disciplinary proceeding or a restraint order of the Board or of the IPA of which he is a professional member; and

(c) the IPE of which he is a partner or director, or any other partner or director of such IPE, does not represent any party in the resolution process.

Explanation —

(i) A person is independent of the guarantor if he (a) is not an associate of the guarantor; and (b) is not a related party of the corporate debtor.

(ii) “related party” shall have the meaning assigned in sub-section (24) of section 5.

§ **Sections of the Code mapped**

- s. 5(24) — related party
- s. 79(2) — associate
- s. 94 / s. 95 — applications by debtor / creditor
- s. 208 — IP obligations

Independence limbs (a)/(b) recast by Notn. REG107 (31-01-2024); former clause (c) barring prior IRP/RP/liquidator of the CD was omitted.

Reg 4–6 RP Consent, Preservation of Records & Debt Counselling

4. Eligibility of RP (contd.)

(2) An insolvency professional, other than one who has filed an application under section 94 or 95 on behalf of a guarantor or a creditor, shall provide written consent in such form as notified by the Board through circular to the Adjudicating Authority before his appointment as RP.

5. Preservation of records

The RP shall preserve a physical as well as an electronic copy of the records relating to the resolution process of the guarantor as per the record retention schedule communicated by the Board in consultation with the IPAs.

6. Debt counselling

Debt counselling in relation to the resolution process may be provided to a guarantor by such person as may be recognised by the Board or the Central Government, as the case may be.

§ **Sections of the Code mapped**

- s. 94 / s. 95 — applications to initiate
- s. 99 — RP report on application
- s. 196 / s. 208 — records & IP duties

"Form A" written consent replaced by "form notified by the Board through circular" w.e.f. 02-06-2026.

Reg 6A Statement of Assets (1 of 3) — categories (a)–(f)

§ **Sections mapped:** s. 94 — application by debtor s. 95 — application by creditor

(1) For sections 94 and 95, along with the application to initiate the resolution process, a complete and true statement of all assets — with supporting evidence — shall be submitted, including:

(a) Cash and Bank Deposits — cash in hand; savings/current balances; fixed and recurring deposits; post-office savings instruments; balances in digital wallets or similar instruments.

(b) Business Interests and Commercial Assets — any ownership (sole or joint) in a proprietorship, partnership, LLP or company, including inventory, plant & machinery, tools of trade, professional equipment, and goodwill.

(c) Investments (Domestic & Overseas) — shares, debentures, bonds, mutual funds, government securities and other financial instruments, including foreign bank accounts, securities and immovable properties held outside India.

(d) Immovable Property — all rights, title or interest in residential, commercial or industrial property, agricultural land, and leasehold or freehold interests.

(e) Retirement and Provident Fund Assets — balances/entitlements in provident, pension, gratuity, superannuation funds and other retirement benefit schemes.

(f) Digital Assets — cryptocurrencies, virtual digital assets, NFTs, digital tokens, and domain names or other digital properties having commercial value.

Reg 6A

Statement of Assets (2 of 3) — categories (g)–(l) & proviso

§ **Sections mapped:** s. 94 — debtor's application s. 95 — creditor's application

(g) Intellectual Property & Intangibles — patents, trademarks, copyrights, licences, franchises, brand value, goodwill, royalty rights and other intangibles.

(h) Valuable Movable Assets — jewellery, precious metals and stones, works of art, antiques, collectibles, watches and high-value electronic or personal assets.

(i) Agricultural Assets & Livestock — agricultural produce, livestock and related agricultural equipment.

(j) Receivables & Advances — trade receivables, loans and advances given, tax refunds due, security deposits, salary arrears and any other sums receivable.

(k) Claims & Contingent Assets — claims under litigation or arbitration, insurance claims, expected inheritances, and beneficial interests under trusts or similar arrangements.

(l) ESOPs & Beneficial Ownership Interests — employee stock options (vested or unvested), securities/assets held through nominees, and any beneficial interest in any entity, trust or arrangement.

Proviso —

For an application under section 95, the creditor shall file information relating to the assets of the individual to the extent available with the creditor.

Reg 6A Statement of Assets (3 of 3) — mandatory coverage

§ **Sections mapped:** s. 94 / s. 95 — statement filed with application s. 99 — RP examines and reports

(2) The statement of assets shall mandatorily include —

(a) assets owned directly or indirectly, whether in the name of the individual or otherwise;

(b) assets held individually or jointly with any other person;

(c) assets held in a fiduciary capacity, including as trustee, guardian, executor or partner;

(d) assets held through beneficial ownership structures — through nominees, trusts, partnerships, companies, Hindu Undivided Families, or any other arrangement conferring beneficial interest or control; and

(e) any asset over which the individual exercises control, influence, or derives economic benefit, irrespective of legal title.

Inserted by Notification No. IBBI/2026-27/GN/REG149 dated 01 June 2026 (w.e.f. 02-06-2026).

CHAPTER III

Registration of Claims

Submission & verification, transfer of debt, list of creditors, statement of affairs • Regs 7 to 10

Reg 7 Submission & Verification of Claim (1 of 2)

(1) A creditor shall submit its claim with proof to the RP in such form as notified by the Board through circular, on or before the last date mentioned in the public notice under sub-section (1) of section 102.

(2) The creditor shall bear the costs relating to submission of the claim, including proof, under these regulations.

(3) A creditor may prove its claim on the basis of —

(a) records available in an information utility, or

(b) any other documentary evidence which substantiates the existence of the claim.

(4) The RP may call for such other evidence or clarification as he deems fit from a creditor for substantiating the whole or part of its claim.

§ **Sections of the Code mapped**

- s. 102(1) — public notice / last date
- s. 104(1) — list of creditors
- s. 103 — registration of claims

"Form B" replaced by "form notified by the Board through circular" w.e.f. 02-06-2026.

Reg 7 Submission & Verification of Claim (2 of 2)

(5) The RP shall verify each claim as soon as it is received and prepare a list of creditors under sub-section (1) of section 104 within thirty days from the date of public notice.

(6) Where the amount claimed is not precise for any reason, the RP shall make the best estimate of the amount based on the information available with him.

(7) The RP shall modify the amounts of claims admitted — including estimates under sub-regulation (6) — as soon as practicable after he comes across additional information warranting revision, till the approval of a repayment plan by the creditors.

(8) Claims denominated in foreign currency shall be valued in Indian currency at the official exchange rate as on the resolution process commencement date.

Explanation —

“Official exchange rate” means the reference rate published by the Reserve Bank of India or derived from such reference rate.

§ **Sections of the Code mapped**

- s. 104(1) — 30-day list of creditors
- s. 100 — commencement date (FX date)

Estimation and revision continue until the repayment plan is approved.

Reg 8–9

Transfer of Debt & List of Creditors

8. Transfer of debt due to creditors

(1) Where a creditor assigns or transfers the debt to any person during the resolution process period, both parties shall provide the RP the terms of such assignment/transfer and the identity and details of the assignee or transferee.

(2) The RP shall notify each creditor and the Adjudicating Authority of any resultant change in the list of creditors within two days of such change.

9. List of creditors

(1) The list under s. 104(1) shall contain the names of creditors, amount claimed, amount admitted and security interest (if any) in respect of such claims.

(2) The RP shall — (a) make the list available for inspection by those who submitted claims with proof; (b) serve a copy on the guarantor; (c) make it available on the guarantor's website (if any); (d) present it at the meeting of creditors; and (e) file a certified copy with the Adjudicating Authority along with the repayment plan.

§

Sections of the Code mapped

- s. 104(1) — list of creditors
- s. 105 — repayment plan (filed with list)
- s. 102 — public notice

Reg 10 Statement of Affairs of the Guarantor

(1) The RP shall prepare a statement of affairs of the guarantor for clause (b) of sub-section (3) of section 107.

(2) The statement of affairs shall include —

(a) assets and liabilities for the preceding three financial years and the current financial year;

(b) details of excluded assets and excluded debts;

(c) income statement for the preceding three FYs and the current FY;

(d) income-tax returns filed by the guarantor, if any, for the preceding three FYs;

(e) creditor-wise amount due, split into secured and unsecured debts, for the preceding three FYs;

(f) details of debt owed by the guarantor to his associates for the preceding three FYs;

(g) guarantees given for any of his debts, and whether any guarantor is an associate of the guarantor; and

(h) details of financial statements for the business owned by the guarantor, or of the firm in which he is a partner, for the preceding three FYs, if applicable.

§ **Sections of the Code mapped**

- s. 107(3)(b) — RP report & statement
- s. 106 — report on repayment plan
- s. 79(2) — associate

CHAPTER IV

Meetings of Creditors & Voting

Convening, notice, quorum, conduct, voting and proxy • Regs 11 to 16

Reg 11 Meeting of Creditors

(1) A creditor included in the list of creditors shall be entitled to participate in the meetings of creditors.

(2) The voting share of each creditor shall be in proportion to the debt owed to such creditor.

(3) The RP shall convene the first meeting in accordance with sub-section (3A) of section 106 and sub-section (1) of section 107, giving such notice to the other participants as decided by the creditors, which shall not be less than forty-eight hours.

(4) The RP shall convene a meeting of creditors on a request by creditors having thirty-three percent of the voting share of creditors.

(5) Notice shall be served on every participant at the address provided to the RP in accordance with regulation 12.

(6) Unless otherwise provided in the Code, any decision of the creditors shall require approval of more than fifty percent of the voting share of the creditors who voted.

§ **Sections of the Code mapped**

- s. 106(3A) — first meeting trigger
- s. 107(1) — meeting of creditors
- s. 109 — voting rights
- s. 111 — approval threshold

s. 106(3A) inserted / referenced w.e.f. 02-06-2026.

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Reg 11A Facilitation of Transfer of Assets

(1) Where the debtor is a personal guarantor undergoing an insolvency resolution process, the RP of such debtor shall coordinate with the RP of the corporate debtor in respect of whom the guarantee was given, regarding transfer of assets in the CIRP of that corporate debtor for the purposes of section 28A.

(2) For section 28A, the RP shall obtain approval from the meeting of creditors of the debtor who gave the personal guarantee for transfer of assets in the CIRP of the corporate debtor.

(3) Where approval is granted permitting the transfer, the RP of the debtor shall ensure that the proposed transfer is appropriately disclosed in the report under section 106 and section 112.

Inserted by Notification No. IBBI/2026-27/GN/REG149 dated 01 June 2026 (w.e.f. 02-06-2026).

§

Sections of the Code mapped

- s. 28A — coordination on asset transfer
- s. 106 — RP report on repayment plan
- s. 112 — report of meeting to AA

New regulation linking the PG process to the corporate debtor's CIRP asset transfers.

Reg 12

Contents of the Notice for a Meeting (1 of 2)

(1) The notice convening the meeting shall inform participants of the venue, time and date, and of the options available to —

(i) participants to attend the meeting either in person, through video conferencing, or through a proxy; and

(ii) creditors to cast vote in person, through a proxy, by electronic means, or by electronic proxy, as the case may be.

(2) The notice shall carry the agenda, which shall include —

(a) list of matters to be discussed;

(b) list of issues to be voted upon;

(c) relevant documents in relation to the matters to be discussed and issues to be voted upon.

§ **Sections of the Code mapped**

- s. 107 — meeting of creditors
- s. 108 — proxies & voting
- s. 109 — voting rights

Reg 12

Contents of the Notice for a Meeting (2 of 2)

(3) If attendance through video conferencing is offered, the notice shall —

(a) state the process and manner for attending the meeting;

(b) provide the login ID and details of a facility for generating a password for secure access to the meeting; and

(c) provide contact details of the person who shall address queries connected with the video conferencing.

(4) If voting by electronic means is offered, the notice shall —

(a) state the process and manner of casting vote by such means;

(b) provide the login ID and details of a facility for generating a password for secure access to the electronic voting means; and

(c) provide contact details of the person who shall address queries connected with the electronic means.

§

Sections of the Code mapped

- s. 107 — meeting of creditors
- s. 108 — proxies and remote voting

Reg 13–14

Quorum & Conduct of Meeting

13. Quorum

(1) A meeting shall be quorate if creditors representing at least thirty-three percent of voting share are present in person, by proxy or through video conferencing. Proviso: creditors may modify the quorum percentage for future meetings.

(2) Where a meeting could not be held for want of quorum, unless previously decided otherwise, it shall automatically stand adjourned to the same time and place on the next day; on that day no quorum shall be required.

14. Conduct of meeting

(1) The RP shall preside over the meeting. (2) At commencement the RP shall take a roll call, when every participant states his name, the capacity in which he attends, the creditor he represents (if any), and that he has received the agenda and relevant material.

(3) After roll call the RP shall inform participants of all persons present and confirm quorum. (4) The RP shall ensure quorum is present throughout. (5) From commencement to conclusion, no person other than participants (and any person whose presence the RP requires) shall be allowed access without the RP's permission.

§

Sections of the Code mapped

- s. 107 — meeting of creditors
- s. 108 — proxy attendance
- s. 113 — RP's functions

Reg 15 Voting by Creditors

(1) The RP shall take a vote of the creditors present on any item listed for voting after discussion on the same.

(2) At the conclusion of the meeting, the RP shall prepare minutes, including the names of creditors who voted for, against, or abstained on the items put to vote.

(3) The RP shall —

(a) circulate the minutes by electronic means to all participants within forty-eight hours of conclusion of the meeting; and

(b) seek a vote by electronic means from creditors who were not present or did not vote, keeping voting open for at least twenty-four hours from circulation of the minutes.

(4) At the end of the voting period, the RP shall record the decision on the items with the names of creditors who voted for, against or abstained, after considering both the meeting vote and the electronic vote.

(5) The RP shall circulate a copy of the record made under sub-regulation (4) to all participants within twenty-four hours of conclusion of the voting.

§ **Sections of the Code mapped**

- s. 107 — meeting & voting
- s. 109 — voting rights
- s. 111 — approval of repayment plan

Reg 16 Voting by Proxy

(1) A creditor entitled to vote at a meeting may appoint an individual — who shall not be an associate of the guarantor — as a proxy to attend and vote on its behalf.

(2) For sub-regulation (1), a creditor shall deliver such form as notified by the Board through circular, duly completed, to the RP at least twenty-four hours prior to the meeting of creditors.

(3) A proxy may vote by electronic means on behalf of the creditor.

Substitution: "Form C" (proxy form) replaced by "form notified by the Board through circular" w.e.f. 02-06-2026 (Notn. REG149).

§ **Sections of the Code mapped**

- s. 110 — rights of secured creditors / voting
- s. 108 — proxies
- s. 79(2) — associate (proxy bar)

A proxy cannot be an associate of the guarantor.

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CHAPTER V

Repayment Plan

Contents, consideration, non-submission, discharge and forms • Regs 17 to 23

Reg 17

Contents of the Repayment Plan (1 of 2) — mandatory contents

§ **Sections mapped:** s. 105 — preparation of repayment plan

(1) The repayment plan shall provide the following —

(a) the term of the plan and its implementation schedule, including amounts to be repaid and dates of repayment to creditors;

(b) the source of funds to pay resolution process costs, and that such payment shall be made in priority over any creditor;

(c) a minimum budget for the duration of the plan to cover reasonable expenses of the guarantor and dependent members of his immediate family — provided that at least ten percent of the realisable income of the guarantor shall be used for repayment of debts;

(d) financing required for implementation of the plan;

(e) if the guarantor has any business, the manner in which it is to be conducted during the plan and the role of the RP;

(f) the manner in which funds held for the plan are invested or otherwise dealt with, pending repayment to creditors;

(g) the functions to be undertaken by the RP, including supervision and implementation of the plan;

(h) variation of onerous terms of a contract or transaction involving the guarantor;

(i) the details of excluded assets and excluded debts of the guarantor; and

(j) terms and conditions for the discharge of the guarantor.

Reg 17

Contents of the Repayment Plan (2 of 2) — permissible contents

§ **Sections mapped:** s. 105 — repayment plan s. 114 — implementation & supervision

(2) The repayment plan may provide for the following —

(a) transfer or sale of all or part of the assets of the guarantor, with the mode and manner of such sale;

(b) administration or disposal of any funds of the guarantor;

(c) satisfaction or modification of any security interest;

(d) reduction in the amount payable to creditors;

(e) curing or waiving of any breach of a debt due from the guarantor;

(f) modification in the terms of repayment of any debt due from the guarantor;

(g) part of the income of the guarantor to be used for repayment of the debt, and the manner of calculating the income of the guarantor;

(h) the manner in which funds held for repayment to creditors, and not so repaid at the end of the plan, are to be dealt with; and

(i) such other matters as may be required by the creditors.

Reg 17A–17B Consideration & Non-submission of Repayment Plan

17A. Meeting of the creditors

The RP shall place the repayment plan mentioned under section 105 in a meeting of the creditors for its consideration.

Proviso: where no repayment plan has been received within the period stipulated under section 106, the RP shall notify the same in a meeting of creditors.

Inserted by Notn. REG107 dated 31 January 2024 (w.e.f. 31-01-2024).

17B. Non-submission of repayment plan

Where no repayment plan has been prepared by the debtor under section 105 of the Code, the RP shall file an application, with the approval of creditors, before the Adjudicating Authority in accordance with sub-section (1A) of section 106.

Inserted by Notn. REG125 dated 19 May 2025; the closing words substituted w.e.f. 02-06-2026 (earlier: “intimating the non-submission of a repayment plan and seek appropriate directions”).

§ **Sections of the Code mapped**

- s. 105 — preparation of plan
- s. 106 — RP report to AA
- s. 106(1A) — application on non-submission

Reg 18–19 Purchase of Assets & Filing with the Adjudicating Authority

18. Purchase of assets by certain persons

(1) The following shall not purchase or acquire any interest in the property of the guarantor, directly or indirectly, without permission of the AA — (a) the RP or any partner/director of the IPE of which the RP is a partner/director; (b) any professional appointed by the RP; (c) any creditor; (d) any company where the guarantor or a creditor is a promoter or director; (e) any associate of the guarantor, creditor or RP.

(2) The AA may set aside any purchase or acquisition made contrary to this regulation and may make such order as it deems fit.

19. Filing with the Adjudicating Authority

(1) The RP shall file the repayment plan as approved by creditors, along with the report under sections 106 or 112, with the AA on or before completion of one hundred and twenty days from the resolution process commencement date.

(2) The RP shall provide copies of the documents filed under (1) to the guarantor and the creditors within three days from the date of such filing.

§ **Sections of the Code mapped**

- s. 106 — RP report on plan
- s. 112 — report of the meeting
- s. 114 — supervision of plan

Reg 20 Breach of Repayment Plan by the Guarantor

(1) On failure in implementation — notice within 3 days

If, in the RP's opinion, the guarantor has failed in implementation of the repayment plan, the RP shall, within three days of knowledge of the failure, issue a notice to the guarantor identifying the failure and requiring him, within fifteen days of receipt — (a) to address such failure if it can be addressed, or (b) to provide an explanation for the failure.

(2) If the guarantor addresses or explains

If, within the period specified, the guarantor (a) addresses the failure, or (b) provides a satisfactory explanation, the RP shall report the failure to creditors within seven days of the date the failure is addressed or the explanation is provided.

(3) Otherwise — application to the AA

In cases not covered under sub-regulation (2), the RP may apply to the AA under sub-section (2) of section 116 for directions, if he is of the opinion that the failure will affect the implementation of the repayment plan.

§ **Sections of the Code mapped**

- s. 116(2) — directions on breach
- s. 115 — completion of plan
- s. 114 — supervision by RP

Reg 21–22 Application for Discharge Order & Non-cooperation by Guarantor

21. Application for discharge order

(1) The RP shall, for the purpose of a discharge order, file an application along with copies of the notice and report under section 117 to the Adjudicating Authority under section 119.

(2) On consideration of the notice and report under sub-section (1) of section 117, the Adjudicating Authority may pass the discharge order.

22. Non-cooperation by guarantor

In the event of non-cooperation of the guarantor at any time during the resolution process period or during implementation of the repayment plan, the RP shall prepare a statement to this effect and file the same with the Adjudicating Authority for appropriate directions.

§ **Sections of the Code mapped**

- s. 117 — completion of repayment plan
- s. 119 — discharge order
- s. 116 — directions of the AA

Reg 23

Filing of Forms & Omission of Forms A–C

23. Filing of Forms (inserted w.e.f. 20-11-2025)

(1) The RP shall file the Forms, with enclosures, as notified by the Board through circular, per the timelines stipulated against each Form.

(2) The Board shall make available the Forms on the electronic platform and may modify them from time to time.

(3) The RP shall ensure the Forms and enclosures filed are accurate and complete.

(4) Filing after the due date — by correction, updation or otherwise — shall carry a fee of five hundred rupees per Form for each calendar month of delay after the date notified by the Board.

(5) The RP shall be liable to action under the Code / regulations — including refusal to issue or renew AFA — for (i) failure to file a Form with requisite information; (ii) inaccurate or incomplete information; or (iii) delay in filing.

Forms A, B and C — omitted

The erstwhile Form A (written consent of RP), Form B (claim with proof) and Form C (proxy form) were omitted w.e.f. 02-06-2026; the relevant forms are now notified by the Board through circular.

§

Sections of the Code mapped

- s. 196 — Board's power to specify forms
- s. 208 — AFA / IP obligations

Key Amendments — Notification REG149 (w.e.f. 02-06-2026)

1

Statement of assets (Reg 6A)

New, exhaustive 12-category asset disclosure with supporting evidence for s. 94 / s. 95 applications; captures direct, indirect, beneficial and fiduciary holdings.

2

Transfer of assets (Reg 11A)

RP coordinates with the corporate debtor's RP and obtains CoC approval for asset transfers under s. 28A; disclosure in s. 106 / s. 112 reports.

3

First-meeting trigger (Reg 11(3))

Aligned to the newly inserted s. 106(3A) read with s. 107(1) for convening the first meeting of creditors.

4

Forms replaced by circular

Forms A, B and C omitted; written consent, claim proof and proxy now in “form notified by the Board through circular”.

5

Non-submission of plan (Reg 17B)

Application to the AA now expressly under s. 106(1A), replacing the earlier “seek appropriate directions” language.

6

Form-filing regime (Reg 23)

Continuing from 20-11-2025: electronic-platform filing, ‹500/Form/month delay fee, and AFA consequences for default.

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Regulation ↔ Section Mapping (1 of 2)

Reg.	Regulation heading	Sections of the Code
1–2	Short title, commencement & application	196(1)(t); 240; 2(e); 60
3	Definitions	79(2); 5(24); 100
4	Eligibility of Resolution Professional	5(24); 79(2); 94; 95; 208
5	Preservation of records	196; 208
6	Debt counselling	General (Board / Central Govt.)
6A	Statement of assets	94; 95; 99
7	Submission & verification of claim	102(1); 103; 104(1)
8	Transfer of debt due to creditors	104
9	List of creditors	104(1); 105
10	Statement of affairs	107(3)(b); 106
11	Meeting of creditors	106(3A); 107(1); 109; 111
11A	Facilitation of transfer of assets	28A; 106; 112

Regulation ↔ Section Mapping (2 of 2)

Reg.	Regulation heading	Sections of the Code
12	Contents of the notice for a meeting	107; 108; 109
13	Quorum	107; 108
14	Conduct of meeting	107; 113
15	Voting by creditors	107; 109; 111
16	Voting by proxy	110; 108; 79(2)
17	Contents of the repayment plan	105; 114
17A	Consideration of repayment plan	105; 106
17B	Non-submission of repayment plan	105; 106(1A)
18	Purchase of assets by certain persons	General (AA permission)
19	Filing with the Adjudicating Authority	106; 112; 114
20	Breach of repayment plan	116(2); 114; 115
21	Application for discharge order	117; 119
22	Non-cooperation by guarantor	116; 114
23	Filing of Forms	196; 208

Personal Guarantors to Corporate Debtors Resolution Process Regulations, 2019

Full text as amended up to 02-06-2026, mapped to the Code

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Bankruptcy Process for Personal Guarantors to Corporate Debtors Regulations, 2019

[Amended up to 02-06-2026]

Complete regulation text distributed across slides, each regulation mapped to one or more related sections of the Insolvency and Bankruptcy Code, 2016.

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About this deck Scope, source and mapping approach

Related Code sections: Empowering provisions: s.196(1)(t), s.240(1)(zr) & (zs), read with s.2(e) and s.60

Source: Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 — reproduced as amended up to 02-06-2026.

Coverage: Notification No. IBBI/2019-20/GN/REG051 (in force 01-12-2019), as amended by REG108 dated 31-01-2024, REG139 dated 25-02-2026 and REG150 dated 01-06-2026 (w.e.f. 02-06-2026).

Structure of the deck:

- Each regulation appears in full text, split across slides where length requires.
- A gold band on the first slide of every regulation maps it to one or more related sections of the Code.
- Chapter dividers follow the scheme of the Regulations: Preliminary; Bankruptcy Trustee; Claims; Meetings & Voting; Realisation of Assets; Proceeds & Distribution.

Note on section mapping: the Code sections shown are indicative anchors that connect each regulation to its parent provisions in Part III (Chapters IV & V) and to defining/enabling provisions. They are teaching aids and not a substitute for reading the Code.

Ch. I

Preliminary

Regulations 1 – 2

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Regulation 1 Short title, commencement and application

Related Code sections: s.196(1)(t) & s.240(1)(zr),(zs) [rule/regulation-making power] • s.2(e) • s.60 [Adjudicating Authority]

(1) These regulations may be called the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019.

(2) They shall come into force from the 1st day of December, 2019.

(3) These regulations shall apply to the bankruptcy process for personal guarantors to corporate debtors.

Regulation 2 **Definitions**

Related Code sections: s.79(2) [“associate”] • s.79(11) [“committee”] • s.5(24) [“related party”] • s.2(e) • PG-to-CD (AA) Rules, 2019

In these regulations, unless the context otherwise requires, —

(a) “associate” in relation to a creditor, a bankruptcy trustee or professionals appointed by the bankruptcy trustee shall have the same meaning as assigned to it in relation to a debtor in sub-section (2) of section 79, as may be applicable;

(b) “bankruptcy process costs” shall mean —

(i) the fees payable to the bankruptcy trustee;

(ii) payments and expenses referred to in sub-regulation (1) of regulation 5, sub-regulation (4) of regulation 6, sub-clause (ii) of clause (c) and clause (f) of sub-regulation (3) of regulation 10, sub-regulation (3) of regulation 28, and sub-regulation (3) of regulation 31;

(iii) such other costs and expenses directly relatable to the bankruptcy process,

to the extent approved or ratified by the committee;

(c) “Code” means the Insolvency and Bankruptcy Code, 2016 (31 of 2016);

(d) “committee” means the committee of creditors as defined in sub-section (11) of section 79;

(e) “corporate debtor” means a corporate person for whom the guarantor has given a personal guarantee;

Regulation 2 Definitions (contd.)

(f) “electronic means” means an authorised and secured computer programme which is capable of producing confirmation of sending communication to the participant entitled to receive such communication at the last electronic mail address provided by such participant and keeping record of such communication;

(g) [Omitted w.e.f. 02-06-2026 by REG150 — previously defined “form” as a form appended to these regulations.]

(h) “participant” means a person entitled to attend a meeting of the committee and includes a creditor, bankrupt, bankruptcy trustee, and any other person authorised by the committee to attend such meeting;

(i) “registered valuer” means a person registered as such in accordance with the Companies Act, 2013 (18 of 2013) and the rules made thereunder;

(j) “related party” in relation to a corporate debtor shall have the meaning assigned to it in sub-section (24) of section 5;

(k) “section” means a section of the Code;

(l) words and expressions used and not defined in these regulations, but defined in the Code and the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019, shall have the respective meanings assigned to them in the Code and in the said rules.

Ch. II

Bankruptcy Trustee

Regulations 3 – 13

Regulation 3 Eligibility of bankruptcy trustee

Related Code sections: s.125 [appointment of IP as bankruptcy trustee] • s.122 / s.123 [application by debtor / creditor] • s.79 [definitions]

(1) An insolvency professional shall be eligible to be appointed as a bankruptcy trustee for a bankruptcy process, if—

(a) he, the insolvency professional entity of which he is a partner or a director, and all the partners and directors of the said insolvency professional entity are independent of the guarantor;

(b) he is not subject to any ongoing disciplinary proceeding or a restraint order of the Board or of the insolvency professional agency of which he is a professional member; and

(c) the insolvency professional entity of which he is a partner or a director, or any other partner or director of such insolvency professional entity does not represent any party in the bankruptcy process.

Explanation. — For the purposes of this sub-regulation, a person shall be considered independent of the guarantor, if he—

(a) is not an associate of the guarantor; and

(b) is not a related party of the corporate debtor.

[Erstwhile clause (c) — not having acted/acting as IRP, RP or liquidator of the corporate debtor — omitted w.e.f. 31-01-2024 by REG108.]

Regulation 3 Eligibility of bankruptcy trustee (contd.)

(2) A bankruptcy trustee, who has been an auditor of the guarantor at any time during the preceding three years, shall make a disclosure of remuneration received, year-wise for such audit, to the committee.

(3) An insolvency professional, other than who has filed an application under section 122 or 123 on behalf of a guarantor or a creditor, as the case may be, shall provide a written consent in such form as notified by the Board through circular to the Adjudicating Authority before his appointment as bankruptcy trustee in a bankruptcy process.

[REG150 (w.e.f. 02-06-2026) substituted “Form A” with “such form as notified by the Board through circular”.]

Regulation 4 Fees of bankruptcy trustee

Related Code sections: s.125 [appointment of bankruptcy trustee] • “bankruptcy process cost” (Reg 2(b)) • Schedule I

(1) The bankruptcy trustee shall be entitled to such fee and the fee shall be paid in such manner as decided by the committee.

(2) In all cases other than those covered under sub-regulation (1), the bankruptcy trustee shall be entitled to a fee as a percentage of the amount realised from the estate of the bankrupt and of the amount distributed from such realisation, in accordance with Schedule I.

Regulation 5 Appointment of professionals

Related Code sections: s.137 [functions of the bankruptcy trustee] • “bankruptcy process cost” (Reg 2(b))

(1) A bankruptcy trustee may appoint accountants, registered valuers, advocates or other professionals, as may be necessary, to assist him in the discharge of his duties, obligations and functions for a reasonable remuneration and such remuneration shall form part of the bankruptcy process cost:

Provided that the following persons shall not be appointed under this regulation, namely—

(a) a relative of the bankruptcy trustee;

(b) a partner or director of the insolvency professional entity of which the bankruptcy trustee is a partner or director;

(c) [Omitted w.e.f. 31-01-2024 by REG108.]

(d) an associate of the bankrupt;

(e) a related party of the corporate debtor.

(2) Before appointing a professional under sub-regulation (1), the bankruptcy trustee shall obtain a disclosure of details of the existence of any pecuniary or personal relationship with any of the creditors, the bankruptcy trustee, the corporate debtor or the bankrupt, from the professional.

Regulation 6 Registers and books

Related Code sections: s.137 [functions of the bankruptcy trustee] • s.156 [estate vesting in bankruptcy trustee]

(1) Where the books of account of the bankrupt are incomplete on the bankruptcy commencement date, the bankruptcy trustee shall get them completed and brought up-to-date within sixty days of the bankruptcy commencement date.

(2) The bankruptcy trustee shall maintain cash book, ledgers, registers and such other books, as may be required for the administration of the estate of the bankrupt.

(3) Where the bankruptcy trustee is authorised to carry on the business of the bankrupt, he shall keep separate books of account in respect of such business and such books shall, as far as possible, be in conformity with the books already kept by the bankrupt in the course of its business.

(4) The bankruptcy trustee shall keep receipts for all payments made or expenses incurred by him in relation to the bankruptcy process.

Regulation 7 Reports by bankruptcy trustee

Related Code sections: s.137 [functions of the bankruptcy trustee] • s.60 [Adjudicating Authority]

The bankruptcy trustee shall prepare and submit the following reports to the Adjudicating Authority and the committee —

(a) a preliminary report;

(b) progress reports; and

(c) a final report.

Regulation 8 Preliminary report

Related Code sections: s.137 [functions] • s.155(2) [excluded assets & other assets] • Reg 33 [valuation]

(1) The bankruptcy trustee shall submit a preliminary report to the Adjudicating Authority and the committee within ninety days of the bankruptcy commencement date.

(2) The bankruptcy trustee shall send a copy of the preliminary report to the bankrupt at the time of submission of the report.

(3) The preliminary report shall include the following details—

(a) a list of the assets and liabilities of the bankrupt as on the bankruptcy commencement date based on the books of the bankrupt:

Provided that if the bankruptcy trustee has reasons to believe, to be recorded in writing, that the books of the bankrupt are not reliable, he shall also provide such estimates based on reliable records and data otherwise available to him.

(b) the proposed plan of action in relation to administration of the estate, including the timeline in which it is proposed to be carried out and the estimated costs;

(c) any further inquiry to be made in respect of the assets, business or affairs of the bankrupt;

(d) details of the assets which are intended to be realised, including the following—

Regulation 8 Preliminary report (contd.)

(i) value of the assets, valued in accordance with regulation 33;

(ii) intended manner of realisation of the assets and reasons thereof;

(iii) expected amount of realisation;

(iv) any other information that may be relevant for the realisation of the assets.

(e) details of the excluded assets and other assets under sub-section (2) of section 155.

(4) The preliminary report shall be confidential during the bankruptcy process, unless the Adjudicating Authority permits any person to access it subject to such terms and conditions, as it may consider appropriate.

Regulation 9
Early completion of administration

Related Code sections: s.138 [application for discharge order] • s.137 [functions]

At the time of the preparation of the preliminary report or any time thereafter, if it appears to the bankruptcy trustee that –

(a) the realisable assets of the bankrupt are insufficient to cover the costs of bankruptcy process; and

(b) the affairs of the bankrupt do not require further investigation,

he may apply to the Adjudicating Authority for an early discharge order.

Regulation 10 Progress reports

Related Code sections: s.137 [functions] • s.160 & s.162 [disclaimer] • s.164, 164A, 165, 167 [avoidance transactions]

(1) The bankruptcy trustee shall submit progress reports to the Adjudicating Authority and to the committee within fifteen days after the end of every quarter:

Provided that if an insolvency professional ceases to act as a bankruptcy trustee during the bankruptcy process, he shall file a progress report for the quarter up to the date of his so ceasing to act, within fifteen days of such cessation.

(2) The bankruptcy trustee shall send a copy of the progress report to the bankrupt at the time of submission of the report under sub-regulation (1).

(3) The progress report shall include—

- (a) appointment, tenure of appointment and cessation of appointment of professionals;
- (b) a statement indicating the progress in the bankruptcy process containing—
  - (i) distribution of dividend and interim dividend;
  - (ii) any material change in the expected realisation for any asset and basis for such change;
  - (iii) any material change in the value of assets or liabilities of the bankrupt and basis for such change;
  - (iv) any material change on estimated cost of bankruptcy process and basis for such change;

Regulation 10 Progress reports (contd.)

(v) distribution of unsold property made to the creditors;

(vi) details of any property that remains to be realised;

(vii) list of creditors; and

(viii) any other relevant information.

(c) an asset sale report with the following details of the assets realised–

(i) realised value;

(ii) cost of realisation;

(iii) manner and mode of realisation, including details as per Schedule II;

(iv) reasons for any reduction in the realisable value compared to the value mentioned in the preliminary report; and

(v) details of the persons in favour of whom the property has been realised.

(d) details of fee and remuneration due to and received by the bankruptcy trustee along with a description of the activities carried out by him;

(e) details of the fee and remuneration paid to professionals appointed by the bankruptcy trustee along with a description of activities carried out by them;

(f) other expenses incurred by the bankruptcy trustee in relation to the bankruptcy process;

(g) status of any material litigation by or against the bankrupt;

(h) filing of and developments in relation to disclaimer of onerous properties or leasehold interests under sections 160 and 162, or transactions under sections 164, 164A, 165 and 167.

Regulation 10 Progress reports (contd.)

(i) accounts maintained by the bankruptcy trustee showing the receipts and payments made during the period of the report, as well as cumulative receipts and payments made since the bankruptcy commencement date; and

(j) any other relevant aspect of the bankruptcy process.

(4) The progress report for the fourth quarter of the financial year shall enclose audited accounts of the receipts and payments of the bankrupt for the financial year.

(5) The progress reports shall be confidential during the bankruptcy process, unless the Adjudicating Authority permits any person to access it on specified terms and conditions.

[The reference to section 164A was inserted w.e.f. 02-06-2026 by REG150.]

Regulation 10 Illustration — timing of progress reports

Related Code sections: s.137 [functions] • Reg 10(1) & 10(4)

Where an insolvency professional becomes a bankruptcy trustee on 13th February, 2020 and ceases to act as such on 12th February, 2021, he shall submit progress reports as under:

- Report 1 — 13 Feb – 31 Mar 2020 → due 15 Apr 2020
- Report 2 — Apr – Jun 2020 → due 15 Jul 2020
- Report 3 — Jul – Sep 2020 → due 15 Oct 2020
- Report 4 — Oct – Dec 2020 → due 15 Jan 2021
- Report 5 — Jan – 12 Feb 2021 → due 27 Feb 2021

He shall submit the audited accounts of receipts and payments as under:

- Account 1 — 13 Feb – 31 Mar 2020 → due 15 Apr 2020
- Account 2 — 1 Apr 2019 – 12 Feb 2021 → due 27 Feb 2021

[Reproduced from the Illustration appended to regulation 10.]

Regulation 11 Final report

Related Code sections: s.137 [functions] • s.138(1) [application for discharge] • Reg 8 [preliminary report]

(1) The final report shall contain an account of the completion of the administration and distribution of the estate of the bankrupt, including —

(a) manner of realisation of the assets of the bankrupt;

(b) manner of distribution of the dividends amongst the creditors;

(c) details regarding the discharge of the bankrupt;

(d) unclaimed dividend, if any;

(e) surplus dividend, if any; and

(f) if the bankruptcy process cost exceeds the estimated cost provided in the preliminary report, along with reasons for the same.

(2) The bankruptcy trustee shall file the final report with the Adjudicating Authority along with the application under sub-section (1) of section 138.

Regulation 12 Persons to extend cooperation

Related Code sections: s.128 [effect of bankruptcy order] • s.150 [after-acquired property] • s.60 [directions]

(1) The following persons shall extend all assistance and cooperation to the bankruptcy trustee to complete the bankruptcy process—

(a) the bankrupt;

(b) creditors of the bankrupt;

(c) employees and workmen of the bankrupt;

(d) partners of the bankrupt;

(e) auditors of the bankrupt;

(f) professionals appointed by the bankruptcy trustee under these regulations;

(g) the resolution professional or the previous bankruptcy trustee of the bankrupt;

(h) the interim resolution professional, the resolution professional and the liquidator in respect of the corporate debtor;

(i) any person who has possession of any of the properties of the bankrupt; and

(j) any other person connected or relevant to the bankruptcy process.

Regulation 12 Persons to extend cooperation (contd.)

(2) The bankruptcy trustee shall record and maintain the particulars of any consultation he had with the persons mentioned in sub-regulation (1).

(3) Where the bankruptcy trustee after making reasonable efforts fails to obtain the information or cooperation from persons under sub-regulation (1), he may make an application to the Adjudicating Authority for appropriate directions as may be necessary for the conduct of the bankruptcy process.

Regulation 13 Preservation of records

Related Code sections: s.137 [functions] • s.196 [Board's powers / IPA consultation]

The bankruptcy trustee shall preserve a physical or electronic copy of the registers, books, reports, minutes of meetings and other records relating to bankruptcy process, including administration of estate of the bankrupt as per the record retention schedule as may be communicated by the Board in consultation with insolvency professional agencies.

Ch. III

Claims

Regulations 14 – 20A

Regulation 14 Future claims

Related Code sections: s.171 [proof of debt] • s.178 [distribution of property]

(1) A person, who is entitled to distribution in the same manner as any other creditor, may submit a claim, which is not due and payable on the bankruptcy commencement date, to the bankruptcy trustee.

(2) Subject to any contract to the contrary, the person under sub-regulation (1) shall be entitled to the principal amount and the interest that has accrued till the bankruptcy commencement date.

Regulation 15 Negotiable instruments

Related Code sections: s.171 [proof of debt]

Where a person seeks to prove a claim in respect of a bill of exchange, promissory note or other negotiable instrument or security of a like nature for which the bankrupt is liable, a certified true copy of the same shall accompany the claim.

Regulation 16 Periodical payments

Related Code sections: s.171 [proof of debt]

In the case of rent, interest and such other payments of a periodical nature, a person may claim only for any amounts due and unpaid up to the bankruptcy commencement date.

Regulation 17 Determination of quantum of claim

Related Code sections: s.171 [proof of debt] • s.137 [functions]

Where the amount claimed by a claimant is not precise due to any reason, the bankruptcy trustee shall make the best estimate of the amount of the claim based on the information available with him.

Regulation 18 Debt in foreign currency

Related Code sections: s.171 [proof of debt]

The claims denominated in foreign currency shall be valued in Indian currency at the official exchange rate as on the bankruptcy commencement date.

Explanation. – For the purposes of this regulation, “official exchange rate” means the reference rate published by the Reserve Bank of India or derived from such reference rate.

Regulation 19 Transfer of debt due to creditors

Related Code sections: s.171 [proof of debt] • s.134 [meeting of creditors / committee]

(1) Where a creditor assigns or transfers the debt to any person during the bankruptcy process period, both parties shall provide the bankruptcy trustee the terms of such assignment or transfer, and the identity and details of the assignee or transferee.

(2) The bankruptcy trustee shall notify each creditor and the Adjudicating Authority of any resultant change in the committee within two days of such change.

Regulation 20 Committee of creditors

Related Code sections: s.132 [list of creditors] • s.134(1) [meeting of creditors] • s.171 [proof] • s.79(11) [committee]

(1) The bankruptcy trustee shall prepare a list of creditors, within the timeline mentioned in section 132, containing the following details in respect of each creditor, –

(a) the name;

(b) the amount of claim made;

(c) the amount of claim admitted;

(d) security interest in respect of the claims, if any; and

(e) reasons for rejection or admission of claim.

(2) The bankruptcy trustee shall report the establishment of the committee to the Adjudicating Authority within three days from the meeting of the creditors under sub-section (1) of section 134.

(3) The bankruptcy trustee shall modify the list of creditors and the composition of the committee, if required, on the basis of the proof received under section 171.

(4) The list of creditors, and any modification to the committee, mentioned in sub-regulation (3) shall be filed with the Adjudicating Authority within fifteen days from the last date for receipt of proofs of debt, under intimation to other creditors.

Regulation 20 Committee of creditors (contd.)

(5) Any modification in the list of creditors under sub-regulation (3) shall not affect the validity of any decision taken in any meeting of the committee prior to such modification.

(6) The list of creditors, as modified from time to time and filed with the Adjudicating Authority, shall be –

- (a) available for inspection by the persons who submitted claims with proof;
- (b) available for inspection by partners and guarantors of the bankrupt;
- (c) displayed on the website, if any, of the bankrupt.

Regulation 20A Facilitation of transfer of assets

Related Code sections: s.28A [transfer of assets in CIRP of the corporate debtor] • s.155 [estate of bankrupt] • Reg 7 [reports]

[Inserted w.e.f. 02-06-2026 by Notification No. IBBI/2026-27/GN/REG150.]

(1) Where the debtor is a personal guarantor who is undergoing a bankruptcy process, the bankruptcy trustee of such debtor who has given the personal guarantee shall coordinate with the resolution professional of the corporate debtor in respect of whom such guarantee has been given, regarding transfer of assets in the corporate insolvency resolution process of the corporate debtor in respect of whom such guarantee has been given for the purposes of section 28A.

(2) For the purposes of section 28A, the bankruptcy trustee of such debtor shall obtain approval from the meeting of committee of creditors of the debtor who has given the personal guarantee for transfer of assets in the corporate insolvency resolution process of the corporate debtor in respect of whom such guarantee has been given.

(3) Where approval is granted by the meeting of committee of creditors permitting the transfer, the bankruptcy trustee of such debtor shall ensure that the proposed transfer is appropriately disclosed under regulation 7 and section 155.

Ch. IV

Meetings of Committee and Voting

Regulations 21 – 26

Regulation 21 Notice for meeting

Related Code sections: s.133 [meeting of creditors] • s.134 [committee] • Reg 2(f) [electronic means]

(1) A bankruptcy trustee may convene a meeting of the committee as and when he considers necessary and shall convene a meeting on a request by creditors having not less than thirty-three percent of voting share.

(2) The notice under this regulation and for the meeting under section 133 shall be served on every participant at the address provided to the bankruptcy trustee.

(3) A meeting of the committee shall be convened by giving a notice of seven days or such other notice as decided by the committee, provided that such notice shall not be less than forty-eight hours.

(4) The notice convening the meeting of creditors shall inform the participants of the venue, the time, the date of the meeting and of the options available to –

(i) participants to attend the meeting either in person, through video conferencing, or through a proxy; and

(ii) creditors to cast vote in person, through a proxy, by electronic means or by electronic proxy, as the case may be.

(5) The notice of the meeting shall carry the agenda, which shall include the following—

(a) list of matters to be discussed;

(b) list of issues to be voted upon;

Regulation 21 Notice for meeting (contd.)

(c) relevant documents in relation to the matters to be discussed and issues to be voted upon.

(6) If an option to attend the meeting through video conferencing is made available to the participants, the notice of the meeting shall –

(a) state the process and the manner for attending the meeting;

(b) provide the login ID and the details of a facility for generating password for access to the meeting in a secure manner; and

(c) provide contact details of the person who shall address the queries connected with the video conferencing.

(7) If an option to cast vote by electronic means is made available to the creditors, the notice of the meeting shall –

(a) state the process and the manner of casting vote by such means;

(b) provide the login ID and the details of a facility for generating password for access to the electronic means for casting vote in a secure manner; and

(c) provide contact details of the person who shall address the queries connected with the electronic means.

Regulation 22 Quorum

Related Code sections: s.133 [meeting of creditors] • s.150 [attendance of bankrupt]

(1) Where a meeting of committee could not be held for want of quorum, unless the committee has previously decided otherwise, the meeting shall automatically stand adjourned to the same time and place on the next day and on that day, no quorum shall be required.

(2) The bankrupt shall attend a meeting which the bankruptcy trustee may, by notice, require him to attend and any adjournment thereof.

Regulation 23 Conduct of meeting

Related Code sections: s.133 [meeting of creditors] • s.134 [committee]

(1) The bankruptcy trustee shall preside over the meetings of the committee.

(2) At the commencement of a meeting, the bankruptcy trustee shall take a roll call, when every participant, including those attending by proxy or through video conferencing, shall state, for the record, the following –

(a) his name;

(b) the capacity in which he is attending;

(c) the creditor he is representing, if applicable; and

(d) that he has received the agenda and all the relevant material for the meeting.

(3) After the roll call, the bankruptcy trustee shall inform the participants of the names of all persons who are present for the meeting and confirm if the required quorum is complete.

(4) The bankruptcy trustee shall ensure that the required quorum is present throughout the meeting.

(5) From the commencement of the meeting till its conclusion, no person, other than the participants and any other person whose presence is required by the bankruptcy trustee, shall be allowed access to the meeting, without the permission of the bankruptcy trustee.

Regulation 23 Conduct of meeting (contd.)

(6) The bankruptcy trustee shall ensure that minutes are made in relation to each meeting of the creditors and are circulated to all participants by electronic means within forty-eight hours of the said meeting.

Regulation 24 Voting share

Related Code sections: s.135 [voting rights of the committee] • s.79(11) [committee]

(1) Subject to section 135, the voting share of each creditor shall be in proportion to the debt owed to such creditor.

(2) The voting share of a secured creditor shall be in proportion to unsecured part of the debt, if any, if it has opted to enforce its security interest.

(3) The voting share of a secured creditor who has opted to relinquish its security interest shall be in proportion to the amount of debt relinquished.

Regulation 25 Voting by the committee

Related Code sections: s.133 [meeting] • s.135 [voting rights]

(1) The bankruptcy trustee shall take a vote of the creditors present in the meeting on any item listed for voting, after discussion on the same.

(2) At the conclusion of the meeting, the bankruptcy trustee shall prepare minutes of the meeting, including the names of creditors, who voted for, against or abstained from voting on the items put to vote in the meeting.

(3) The bankruptcy trustee shall—

(a) circulate the minutes of the meeting by electronic means to all participants of the meeting within forty-eight hours of the conclusion of the meeting, and

(b) seek a vote on the items listed for voting in the meeting from the creditors who were not present in the meeting or did not vote at the meeting, by electronic means, where the voting shall be kept open for at least twenty-four hours from the circulation of the minutes as per clause (a).

(4) Unless otherwise provided in the Code, any decision of the committee shall require approval of more than fifty percent of voting share of the creditors who voted.

(5) At the end of the voting period, the bankruptcy trustee shall record the decision arrived at on the items along with the names of creditors who voted for, against or abstained from voting on the items, after considering the voting at the meeting and through the electronic means.

Regulation 25 Voting by the committee (contd.)

(6) The bankruptcy trustee shall circulate a copy of the record made under sub-regulation (5) to all participants within twenty-four hours of the conclusion of the voting.

Regulation 26 Voting by proxy

Related Code sections: s.133 [meeting] • s.135 [voting rights]

(1) A creditor, who is entitled to vote, shall be entitled to appoint an individual as a proxy, who shall not be an associate of the bankrupt, to attend and vote on behalf.

(2) For the purpose of sub-regulation (1), a creditor shall deliver such form as notified by the Board through circular, duly completed to the bankruptcy trustee at least twenty-four hours prior to the meeting of committee.

(3) A proxy may vote by electronic means on behalf of the creditor.

[REG150 (w.e.f. 02-06-2026) substituted "Form B" with "such form as notified by the Board through circular".]

Ch. V

Realisation of Assets

Regulations 27 – 31

Regulation 27 Mode of sale

Related Code sections: s.137 [functions] • s.154 [vesting of estate] • s.155 [estate of bankrupt] • Schedule II

(1) The bankruptcy trustee shall ordinarily sell the assets of the bankrupt through an auction as specified in Part A of Schedule II.

(2) The bankruptcy trustee may sell the assets by private sale, in the manner specified in Part B of Schedule II if—

(a) the asset is perishable in nature;

(b) the value of the asset is likely to deteriorate significantly if the sale is delayed; or

(c) the selling price of the asset is higher than the reserve price of a failed auction.

(3) The following persons shall not purchase or acquire any interest in the property of bankrupt, directly or indirectly, without permission of the Adjudicating Authority–

(a) the bankruptcy trustee or any partner or director of the insolvency professional entity of which the bankruptcy trustee is a partner or director;

(b) any professional appointed by the bankruptcy trustee for the bankruptcy process;

(c) any creditor or associate of the bankrupt; and

(d) any company where the bankrupt or a creditor is a promoter or director.

Regulation 27 Mode of sale (contd.)

(4) The bankruptcy trustee shall not proceed with a sale, if he has reason to believe that there is any collusion amongst any one or more of the following persons: –

(a) the buyers; (b) the bankrupt; (c) the creditors; (d) associates of the bankrupt or creditors; (e) the corporate debtor; or (f) related party of the corporate debtor,

and shall submit a report to the Adjudicating Authority for appropriate orders.

Regulation 28 Acquisition, etc., of after acquired property by bankrupt

Related Code sections: s.150 [after-acquired property] • “bankruptcy process cost” (Reg 2(b))

(1) After a notice is given by the bankrupt under sub-section (2) of section 150, he shall not part with any increase in his income or dispose of any property acquired, without the prior permission of the Adjudicating Authority.

(2) If the bankrupt disposes of property before giving the notice under sub-section (2) of section 150, he shall within seven days from such disposal, disclose to the bankruptcy trustee the relevant details of the person to whom the property has been transferred, and shall also provide any other information which may be necessary to enable the bankruptcy trustee to trace the property and recover it for the purpose of bankruptcy estate.

(3) Any expense incurred by the bankruptcy trustee in bringing back any amount or acquiring title to the property referred to in sub-regulation (2) shall form part of the bankruptcy process costs.

Regulation 29 Disclaimer of onerous property

Related Code sections: s.160 [disclaimer of onerous property] • s.162 [disclaimer of leaseholds] • s.163 [rights of interested persons]

(1) The bankruptcy trustee shall notify the bankrupt and the persons interested in the onerous property in respect of the proposed disclaimer, at least seven days prior to serving the notice of disclaimer under sub-section (1) of section 160.

(2) The notification under sub-regulation (1) shall contain the intention of the bankruptcy trustee to disclaim the property, particulars of the property intended to be disclaimed, and details of the interested persons in such property.

(3) The notice under sub-section (1) of section 160 shall be filed with the Adjudicating Authority within three days of giving such notice to the persons mentioned therein.

(4) An application under sub-section (1) of section 163 shall be made within thirty days of the applicant becoming aware of the disclaimer or from the date of the notice of disclaimer under sub-section (1) of section 160, whichever is earlier.

Explanation. – For the purpose of this regulation, a person interested in onerous property means –

(a) any person who claims an interest in the disclaimed property;

(b) any person who is under any liability in respect of the onerous property; or

Regulation 29 Disclaimer of onerous property (contd.)

(c) where the disclaimed property is a dwelling house, any person who is in occupation of or entitled to occupy the dwelling house, on the date of filing of application.

Regulation 30 Valuation of assets

Related Code sections: s.137 [functions] • Reg 8 [preliminary report] • Reg 27 & Schedule II [sale]

(1) The bankruptcy trustee shall appoint a registered valuer to value the assets, which may or may not form part of the bankrupt's estate, when he is of the opinion that it is necessary or when a resolution to that effect has been passed by the committee.

(2) The registered valuer appointed under sub-regulation (1) shall submit to the bankruptcy trustee the estimates of the realisable value of the asset computed in accordance with such valuation standards as notified by the Board through circular, after physical verification of the assets of the bankrupt.

(3) The bankruptcy trustee may appoint an additional registered valuer, for valuing the assets of the bankrupt if required in the circumstances of the case, who shall independently submit his estimate as per sub-regulation (2).

(4) In the event an additional registered valuer is appointed under sub-regulation (3), the average of the estimates received from both valuers will be considered to be the value of the assets.

(5) For the purposes of this regulation, a registered valuer shall prepare the valuation report and maintain such documentation as per the format notified by the Board through circular.

[Sub-reg (2) substituted and sub-reg (5) inserted w.e.f. 25-02-2026 by REG139; earlier text referred to “internationally accepted valuation standards”.]

Regulation 31 Realisation of security interest

Related Code sections: s.137 [functions] • s.155 [estate of bankrupt] • s.52 (cf.) [secured creditor rights]

(1) A secured creditor, who seeks to realise his security, shall intimate the bankruptcy trustee of the price at which he proposes to realise the secured asset.

(2) The bankruptcy trustee shall attempt to identify a buyer willing to purchase the security at a price higher than the price intimated under sub-regulation (1), and the asset shall then be sold to such buyer, if any, at the higher price by the secured creditor.

(3) Where the secured asset is realised under sub-regulation (2), the cost of identification of the buyer shall form part of bankruptcy process cost.

(4) If the bankruptcy trustee does not identify a buyer under sub-regulation (2), or the person so identified does not buy the secured asset, the secured creditor may realise the secured asset in the manner it deems fit, but at least at the price intimated under sub-regulation (1) and shall bear the cost of identification of the buyer.

(5) Where a secured creditor realises his security and the amount realised is in excess of the debts due to the secured creditor, such creditor shall tender such excess to the bankruptcy trustee.

Ch. VI

Proceeds of Bankruptcy Process and Distribution of Proceeds

Regulations 32 – 37

Regulation 32 Bank account for bankruptcy process

Related Code sections: s.137 [functions] • s.156 [estate vesting] • “bankruptcy process cost” (Reg 2(b))

(1) The bankruptcy trustee shall open a bank account in the name of the bankrupt followed by the words ‘in bankruptcy process’, in a scheduled bank, for the receipt of all moneys due to the bankrupt.

(2) The bankruptcy trustee shall deposit in the bank account opened under sub-regulation (1) all moneys, including cheques and demand drafts received by him as the bankruptcy trustee of the bankrupt, and the realisations of each day shall be deposited into the bank account, without any deduction, not later than the next working day.

(3) The bankruptcy trustee may maintain cash of ten thousand rupees or such higher amount, as may be permitted by the Adjudicating Authority to meet bankruptcy process costs.

(4) All payments out of the account by the bankruptcy trustee above five thousand rupees shall be made by cheques drawn or online banking transactions against the bank account.

Regulation 33 Distribution of dividend to claimant of deceased creditor

Related Code sections: s.178 [distribution of property] • s.60 [Adjudicating Authority sanction]

(1) In the event an application is made by a claimant or heir of a deceased creditor for receiving dividend payable to such deceased creditor, the bankruptcy trustee shall satisfy himself as to the claimant's right and title to receive the dividend, and may call for evidence regarding such right or title.

(2) On being satisfied of the veracity of the claim as per sub-regulation (1), the bankruptcy trustee may apply to the Adjudicating Authority for sanctioning the payment of such dividend or return to the claimant.

Regulation 34 Distribution of dividend

Related Code sections: s.174 [distribution order of priority] • s.178 [distribution of property] • Reg 8 [preliminary report]

(1) Subject to the provisions of sections 174 and 178, the bankruptcy trustee shall not commence distribution of dividend unless a preliminary report is filed with the Adjudicating Authority.

(2) The bankruptcy process cost shall be deducted before any dividend is distributed under this regulation.

Regulation 35 Return of amount

Related Code sections: s.178 [distribution of property]

A creditor shall forthwith return any amount received by him in distribution, which he was not entitled to at the time of distribution, or subsequently.

Regulation 36 Unclaimed proceeds of bankruptcy or undistributed assets

Related Code sections: s.178 [distribution] • s.224 [Insolvency and Bankruptcy Fund] • Reg 11 [final report]

(1) After filing the final report under regulation 11, the bankruptcy trustee shall, within three days from the date of such filing, apply to the Adjudicating Authority for an order to credit to the Insolvency and Bankruptcy Fund formed under the Code, any unclaimed dividends of bankruptcy process or undistributed asset or any other balance amount payable to the creditors, left with him.

(2) Without prejudice to any penalty that may be imposed by the Board, the bankruptcy trustee shall be liable to pay interest at the rate of twelve percent per annum on the amount retained by him under sub-regulation (1), if he fails to—

- (a) apply to the Adjudicating Authority within three days from the date of filing;
- (b) credit to the Fund within three days from the date of order of the Adjudicating Authority.

(3) The bankruptcy trustee shall, when crediting the amount referred to in sub-regulation (1), furnish to the Board, a statement setting forth the following –

- (a) the names and last known address of the creditors entitled to the unclaimed dividend or undistributed asset or any other balance;
- (b) the amount of the unclaimed dividend or any other balance for each creditor under (a);
- (c) the value of the undistributed assets.

Regulation 36 Unclaimed proceeds of bankruptcy or undistributed assets (contd.)

(4) The bankruptcy trustee shall be entitled to a receipt from the Board for any amount deposited by him under sub-regulation (2), and such receipt shall be proof of credit by him.

(5) A person claiming to be entitled to any amount paid into the Insolvency and Bankruptcy Fund may apply to the Board for an order for payment of the amount claimed.

(6) The Board may, if satisfied that the person referred to in sub-regulation (5) is entitled to the whole or any part of the amount claimed, make an order for the payment to that person of the sum due to him, after taking such security from him as it may think fit.

(7) Any amount paid into the Insolvency and Bankruptcy Fund under sub-regulation (1), which remains unclaimed for a period of fifteen years, shall be liable to be utilised for the purposes of the Insolvency and Bankruptcy Fund.

Regulation 37 Debt counselling

Related Code sections: s.137 [functions] • s.196 [recognition by the Board]

Debt counselling in relation to bankruptcy process may be provided to a bankrupt by such person as may be recognised by the Board or the Central Government, as the case may be.

[Forms A and B, appended to the Regulations, were omitted w.e.f. 02-06-2026 by REG150; consent and proxy are now in such form as the Board notifies by circular.]

Sched
ules

Fees and Mode of Sale

Schedule I • Schedule II (Parts A & B)

Schedule I Fees of bankruptcy trustee [Under regulation 4(2)]

Related Code sections: Reg 4(2) • s.125 • "bankruptcy process cost" (Reg 2(b))

Percentage of fee on the amount REALISED

Amount of realisation (less bankruptcy process cost)	First 6 months	Next 3 months	Next 3 months	Thereafter
On the first 25 lakh	10.00	7.50	5.00	3.75
On the next 50 lakh	7.50	5.00	3.75	2.80
On the next 1 crore	5.00	3.75	2.50	1.88
On the next 9 crore	3.75	2.80	1.88	1.41
On the next 40 crore	2.50	1.88	1.25	0.94
On the next 50 crore	1.25	0.94	0.68	0.51
On further sums realised	0.25	0.19	0.13	0.10

Schedule I Fees of bankruptcy trustee (contd.)

Percentage of fee on the amount DISTRIBUTED

Amount of distribution	First 6 months	Next 3 months	Next 3 months	Thereafter
On the first 50 lakh	5.00	3.75	3.00	1.88
On the next 75 lakh	3.75	3.00	1.88	1.41
On the next 1 crore	2.50	1.88	1.25	0.94
On the next 9 crore	1.88	1.40	0.94	0.71
On the next 40 crore	1.25	0.94	0.63	0.47
On the next 50 crore	0.63	0.48	0.34	0.25
On further sums distributed	0.13	0.10	0.06	0.05

The columns denote the fee percentage as the realisation/distribution progresses over time (first six months, next three months, next three months, and thereafter).

Schedule II — Part A

Auction [Under regulation 27]

Related Code sections: Reg 27 [mode of sale] • s.137 [functions] • Reg 30 [valuation]

(1) Where an asset is to be sold through auction, the bankruptcy trustee shall do so in the manner specified herein.

(2) The bankruptcy trustee shall prepare a sale strategy in writing for the sale of the asset and may take help of marketing professionals if it is required, which shall be submitted to the Adjudicating Authority along with the progress report under regulation 10.

(3) The marketing strategy may include— (a) releasing advertisements for auction of the asset; (b) preparing information sheets for the asset; (c) preparing a notice of sale; and (d) liaising with agents.

(4) The bankruptcy trustee shall prepare terms and conditions of sale, including reserve price, earnest money deposit, pre-bid qualification, and time period for full payment.

(5) The reserve price shall be the value of the asset arrived at in accordance with regulation 30 and such valuation shall not be more than six months old:

> Provided that in the event an auction fails at such price, the bankruptcy trustee may, in consultation with the committee, reduce such reserve price up to seventy-five percent of such value to conduct subsequent auctions:
>
> Provided further that in the event of an auction failing in spite of reducing the price up to seventy-five percent, the price may further be reduced with the approval of the committee.

Auction [Under regulation 27] (contd.)

(6) The bankruptcy trustee shall provide any assistance, if necessary, for the conduct of due diligence by interested buyers.

(7) The bankruptcy trustee shall sell the assets through an electronic auction on an online portal, or on a portal designated by the Board (if any), where the interested buyers can register, bid and receive confirmation of the acceptance of their bid online.

(8) The bankruptcy trustee may sell assets through a physical auction, with prior permission of the Adjudicating Authority, if he is of the opinion that it will maximise the realisation from the sale of the assets and is in the best interest of the creditors.

(9) The bankruptcy trustee may engage the services of qualified professional auctioneers specialising in auctioning the assets, provided that such auctioneer fulfils the requirements in regulation 5.

(10) The auction shall be transparent, and the highest bid at any given point shall be visible to the other bidders unless the bankruptcy trustee has received permission from the Adjudicating Authority allowing otherwise regarding the visibility of the bid price.

(11) If required, the bankruptcy trustee may conduct multiple rounds of auctions with a view to maximise the realisation from the sale of assets, and to promote the best interests of the creditors.

(12) On the close of the auction, the payment schedule shall be communicated to the highest bidder. On payment of the full amount, the bankruptcy trustee shall execute the sale and the asset will be transferred in the manner specified in the terms of the sale.

Schedule II — Part B

Private Sale [Under regulation 27]

Related Code sections: Reg 27(2) [when private sale permitted] • s.137 [functions]

(1) Where an asset is to be sold through private sale, the bankruptcy trustee shall conduct the sale in the manner specified herein.

(2) The bankruptcy trustee shall prepare a sale strategy in writing to approach interested buyers for assets to be sold by private sale, which shall be submitted to the Adjudicating Authority along with the progress report under regulation 10.

(3) 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 maximise the realisations from the sale of assets.

(4) The completion of sale, and the delivery of the assets shall be as per the terms of sale.

Amendment trail

Notifications reflected in this consolidated text

Related Code sections: Regulation-making power: s.196(1)(t), s.240(1)(zr),(zs) of the Code

REG051 — IBBI/2019-20/GN/REG051: the principal Regulations; in force from 01-12-2019.

REG108 — dated 31-01-2024 (w.e.f. 31-01-2024): amended the independence Explanation in Reg 3 (inserted “and”, recast clause, omitted the IRP/RP/liquidator bar); omitted clause (c) of Reg 5(1)'s proviso.

REG139 — dated 25-02-2026 (w.e.f. 25-02-2026): in Reg 30, substituted the valuation-standard reference with “such valuation standards as notified by the Board through circular” and inserted sub-reg (5) on valuation report format.

REG150 — dated 01-06-2026 (w.e.f. 02-06-2026): omitted the definition of “form” [Reg 2(g)]; replaced “Form A”/“Form B” references with Board-circular forms [Reg 3(3), Reg 26(2)]; inserted section 164A reference in Reg 10(3)(h); inserted new Reg 20A (facilitation of transfer of assets, s.28A); and omitted Forms A and B.

This deck reproduces the operative text as amended up to 02-06-2026; superseded text is shown only in italic amendment notes.

Thank you

Bankruptcy Process for Personal Guarantors to Corporate Debtors Regulations, 2019 [amended up to 02-06-2026] — full text with Code mapping.

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