



भारत का राजपत्र

The Gazette of India

सी.जी.-डी.एल.-अ.-21112025-267888
CG-DL-E-21112025-267888

असाधारण
EXTRAORDINARY

भाग III—खण्ड 4
PART III—Section 4

प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 753]
No. 753]

नई दिल्ली, शुक्रवार, नवम्बर 21, 2025/कार्तिक 30, 1947

NEW DELHI, FRIDAY, NOVEMBER 21, 2025/KARTIKA 30, 1947

भारतीय दिवाला और शोधन अक्षमता बोर्ड
अधिसूचना

नई दिल्ली, 20 नवम्बर 2025

भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) (दूसरा संशोधन)
विनियम, 2025

फा. सं. आई.बी.बी.आई./2025-26/जी.एन./आर.ई.जी.132.—भारतीय दिवाला और शोधन अक्षमता बोर्ड, दिवाला और शोधन अक्षमता संहिता, 2016 (2016 का 31) की धारा 240 के साथ पठित धारा 196, धारा 207 और धारा 208 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) विनियम, 2016 का और संशोधन करने के लिए निम्नलिखित विनियम बनाता है, अर्थात्:-

- (1) इन विनियमों का संक्षिप्त नाम भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) (दूसरा संशोधन) विनियम, 2025 है।
(2) ये राजपत्र में प्रकाशन की तारीख को प्रवृत्त होंगे।
- भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) विनियम, 2016 (जिन्हें इसमें पश्चात् मूल विनियम कहा गया है) के विनियम 7क के पश्चात् निम्नलिखित विनियम अंतःस्थापित किया जाएगा, अर्थात्:-

“असाइनमेंट की संख्या

7ख. कोई ऐसा दिवाला व्यावसायिक, जो कि एक दिवाला व्यावसायिक संस्था नहीं है, किसी कारपोरेट दिवाला समाधान प्रक्रिया में अंतरिम समाधान व्यावसायिक और समाधान व्यावसायिक के रूप में तथा किसी

समापन प्रक्रिया में परिसमापक के रूप में किसी भी समय, कुल मिलाकर दस असाइनमेंट से अधिक नहीं रखेगा, जिनमें से तीन से अनधिक असाइनमेंट में प्रत्येक में एक हजार करोड़ रुपए से अधिक के स्वीकृत दावें होंगे:

परन्तु ऐसा कोई दिवाला व्यावसायिक, जो कि एक दिवाला व्यावसायिक संस्था नहीं है, जो भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) (दूसरा संशोधन) विनियम, 2025 के प्रारंभ होने की तारीख को इस विनियम में विनिर्दिष्ट सीमा से अधिक ऐसे असाइनमेंट पहले से धारण कर रहा है, तब तक ऐसा कोई नया असाइनमेंट स्वीकार नहीं करेगा जब तक उसकी चालू असाइनमेंट की संख्या इस विनियम में विनिर्दिष्ट सीमा से नीचे नहीं रह जाती है।

3. मूल विनियमों में, पहली अनुसूची में विनिर्दिष्ट दिवाला व्यावसायिकों के लिए आचार संहिता में, -

- (i) “बोर्ड का अनुमोदन” शब्दों के स्थान पर “न्यायनिर्णायिक प्राधिकारी का पूर्व अनुमोदन” शब्द रखे जाएंगे
- (ii) खंड 22 के स्पष्टीकरण का लोप किया जाएगा।

रवि मित्तल, अध्यक्ष

[विज्ञापन-III/4/असा./488/2025-26]

टिप्पण : भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) विनियम, 2016, भारत के राजपत्र, असाधारण, भाग III, खंड 4, सं. 424, तारीख 23 नवम्बर, 2016 में अधिसूचना सं. आई.बी.बी.आई./2016-17/जी.एन./आर.ई.जी.003, तारीख 23 नवम्बर, 2016 द्वारा प्रकाशित किए गए थे और उनमें अंतिम संशोधन भारत के राजपत्र, असाधारण, भाग III, खंड 4, सं. 276, तारीख 3 अप्रैल, 2025 में अधिसूचना सं. आई.बी.बी.आई./2025-26/जी.एन./आर.ई.जी.123, तारीख 3 अप्रैल, 2025 द्वारा प्रकाशित भारतीय दिवाला और शोधन अक्षमता बोर्ड (दिवाला व्यावसायिक) (संशोधन) विनियम, 2025 द्वारा किए गए।

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

NOTIFICATION

New Delhi, the 20th November, 2025

Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2025

F. No. IBBI/2025-26/GN/REG132.—In exercise of the powers conferred by section 196, sections 207 and 208 read with section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Insolvency and Bankruptcy Board of India hereby makes the following regulations to further amend the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016, namely: -

1. (1) These regulations may be called the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2025.
- (2) They shall come into force on the date of publication in the Official Gazette.
2. In the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016, (hereinafter referred to as ‘the principal regulations’), after regulation 7A, the following regulation shall be inserted, namely: -

“Number of Assignments.

7B. An insolvency professional who is not an insolvency professional entity, shall not at any point of time, have more than ten assignments in aggregate as interim resolution professional and resolution professional in a corporate insolvency resolution process and as a liquidator in a liquidation process, of which not more than three assignments shall have admitted claims exceeding one thousand crore rupees each:

Provided that an insolvency professional who is not an insolvency professional entity, already holding more such assignments than the limit specified in this regulation on the date of commencement of Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2025, shall not accept any such new assignment until the number of his ongoing assignments falls below the limit specified in this regulation.”

3. In the principal regulations, in the Code of Conduct for Insolvency Professionals specified in the First Schedule,

(i) in clause 6, for the words “the approval of the Board”, the words “the prior approval of the Adjudicating Authority” shall be substituted.

(ii) the clarification to clause 22 shall be omitted.

RAVI MITAL, Chairperson

[ADVT.-III/4/Exty./488/2025-26]

Note : The Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 were published *vide* notification No. IBBI/2016-17/GN/REG003 dated 23rd November, 2016 in the Gazette of India, Extraordinary, Part III, Section 4, No. 424 on 23rd November, 2016 and were last amended by the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2025 published *vide* notification No. IBBI/2025-26/GN/REG123, dated 03rd April, 2025 in the Gazette of India, Extraordinary, Part III, Section 4, No. 276 on 03rd April, 2025.

Insolvency and Bankruptcy Board of India

12th August 2025

Subject: Discussion paper on Review of Limit on Number of Assignments being handled by IPs

This discussion paper seeks to examine and address the concerns relating to delays in insolvency and liquidation processes, and the concentration of assignments among a few Insolvency Professionals (IPs), as highlighted by IPs during stakeholder consultations at various forums. It proposes amendments to the applicable Regulations with the objective of ensuring a more equitable distribution of assignments, enhancing overall efficiency, and mitigating the risk of handling insolvency assignments by a limited number of insolvency professionals.

I. Introduction

1. The Insolvency and Bankruptcy Code, 2016 (the Code) was enacted to provide a time-bound mechanism for the resolution of financially distressed debtors, with the objective of maximizing the value of their assets. It marked a decisive shift from traditional recovery-oriented mechanisms to a comprehensive framework focused on the revival, resolution, and reorganization of distressed debtors. One of the defining features that sets the Code apart from its predecessors is its emphasis on time-bound processes ensuring greater predictability, efficiency, and value preservation.
2. The Code seeks to maximize the value of the assets of the corporate debtor (CD), recognizing that value is time sensitive. Delays in the resolution process tend to erode value and may ultimately jeopardize the possibility of reorganizing the CD. This increases the likelihood of liquidation, which frequently results in significant value destruction for stakeholders. Even in cases where liquidation is inevitable, delays in the process often lead to lower-than-anticipated recoveries, undermining the objectives of the Code.
3. The role of an IP under the Insolvency and Bankruptcy Code, 2016 (the Code) is both extensive and critical, requiring substantial time, attention, and professional judgment. Given the time-bound nature of processes under the Code, the effective and timely discharge of responsibilities by IPs assumes paramount importance.

II. Existing Framework and Regulatory Requirements:

4. To ensure efficient conduct of the processes and safeguard the quality of insolvency resolution, clause 22 of Code of Conduct specified in First Schedule to IBBI (Insolvency Professionals) Regulations, 2016 (IP Regulations) imposes restrictions of ten assignments as resolution professional (RP) in corporate insolvency resolution process (CIRP), of which not more than three shall have admitted claims exceeding one thousand crore rupees each. This

measure was introduced in July 2021, with the aim to ensure that IPs do not overstretch their capacity and are able to devote adequate time and attention to each assignment.

III. Need for Reviewing the Limit on Number of Assignments

5. The Code allows IPs to undertake assignments in multiple capacities such as IRP and RP in CIRP; Liquidator in Liquidation or Voluntary Liquidation processes; and RP in PG to CD; etc. Considering that time is the essence of the Code, the Clause 13 of Code of Conduct of IP Regulations provide that an IP must adhere to the time limits prescribed in the Code and the rules, regulations and guidelines thereunder for insolvency resolution, liquidation or bankruptcy process, as the case may be, and must carefully plan his actions, and promptly communicate with all the stakeholders involved for the timely discharge of his duties.

6. While the Code of Conduct for IPs, as stipulated under the IP Regulations, requires that an IP must refrain from accepting too many assignments if they are unlikely to be able to devote adequate time to each, there is currently no specific cap on the number of assignments an IP may undertake as an RP, Liquidator, or RP/Bankruptcy Trustee in proceedings against PG to CD. The only express cap applies to assignments as RP in CIRPs. However, the absence of similar restrictions on other critical roles has substantially diluted the effectiveness of this cap. Since many IPs continue to be involved in multiple assignments under other capacities simultaneously along with their regular professional practice.

7. As per the information available, as on 31st March 2025, there were 4,527 IPs registered with the Board, out of which 2,198 (about 49%) were holding AFA issued by their IPA. While the Code of Conduct advises IPs to avoid excessive caseloads, the absence of express limits on roles such as IRP and Liquidator has also led to significant disparity in assignment distribution. Feedback from stakeholders and analysis of assignment data show that a small group of IPs handles a disproportionately large number of assignments—up to 25 in some cases—raising concerns about the quality of resolution, inclusiveness, and equitable opportunities for new professionals. Such concentration is perceived as a constraining factor in wider participation of IPs, posing challenges to inclusiveness and transparency within the overall insolvency ecosystem of the country. Furthermore, it is also perceived as creating entry barriers for newly registered professionals, thereby impacting equitable access to assignments and overall market competitiveness.

8. Both CIRP and Liquidation processes demand considerable effort and time from IPs in managing both types of cases. Recognizing the distinct responsibilities associated with the role of resolution professional and liquidator and considering the issues flagged regarding concentration of assignments an Expert Committee formed in IBBI, in its report has recommended that the existing ceiling of 10 (ten) assignments in the capacity of RP may also be expanded to include assignments undertaken in the capacity of IRP and Liquidator. This inclusion will support a more balanced allocation of assignments, promote efficiency, and prevent excessive concentration of work among a few insolvency professionals.

9. In view of the foregoing, there is a need to revisit the scope of the existing framework to foster a level playing field and promote efficiency in the insolvency resolution process.

IV. Proposal: Rationalisation of Assignment Limits for Insolvency Professionals, encompassing Interim Resolution Professionals and Liquidators, through Deletion of Code of Conduct Clause 22 and Insertion of New Regulation.

10. Clause 22 of the Code of Conduct specified in First Schedule Under Regulation 7(2)(h) of IBBI (Insolvency Professionals) Regulations, 2016 (IP Regulations) currently states that an insolvency professional must refrain from accepting too many assignments if they are unlikely to be able to devote adequate time to each. It also has a clarification limiting IPs to not more than ten assignments as resolution professional in corporate insolvency resolution processes, with not more than three having admitted claims exceeding one thousand crore rupees each.

11. As discussed in preceding paras, the Board acknowledges the fact that, in practice, liquidator roles often require sustained engagement over extended periods, comparable in complexity and intensity to those of an IRP and RP. Therefore, the exclusion of IRP and Liquidator assignments from the regulatory ceiling has not only resulted in an uneven distribution of work and overburdening of certain IPs but has also undermined the fundamental objective of time-bound processes under the Code. **To address this, it is proposed that the existing assignment ceiling of 10 (ten) assignments in the capacity of RP shall also be extended to include assignments undertaken in the capacity of IRP and Liquidator of which no more than 03 (three) shall involve admitted claims exceeding ₹1000 crore.**

12. Furthermore, IPs who are already handling ten or more such assignments—whether in the capacity of RP, IRP, or Liquidator at the time of implementation of the revised framework shall not be eligible to accept any new assignment until the number of their ongoing assignments falls below the revised threshold. Only those IPs who are handling fewer than ten such assignments—whether as RP, IRP, or Liquidator—will be eligible to take up new assignments, subject to compliance with the revised limit.

13. Given that the framework for insolvency and bankruptcy of PG to CD is still at an evolving stage, the inclusion of such assignments may be considered at a later stage, based on experience and process maturity. Additionally, the proposed framework does not, at this stage, prescribe any cap on the number of assignments undertaken through an Insolvency Professional Entity (IPE).

14. Hence, with the aim of enhance accountability in the management of assignments and strengthening the overall compliance framework for insolvency professionals, it is proposed to delete Clause 22 from the Code of Conduct for Insolvency Professionals and insert a new regulation under the IP Regulations. This proposed insertion of a specific regulation would obligate insolvency professionals to undertake assignments commensurate with the time-bound objectives enshrined in the Code, thereby promoting judicious caseload management, upholding professional standards, and safeguarding stakeholder interests.

V. Proposed Draft Regulation –

15. In the IBBI (Insolvency Professionals) Regulations, 2016,

(a) after regulation 7A, the following regulation shall be inserted, namely: -

“7B. Number of Assignments.

An insolvency professional who is not an insolvency professional entity, shall at any point of time, have not more than ten (10) assignments in aggregate as interim resolution professional, resolution professional in a corporate insolvency resolution process and as a liquidator in a liquidation process, of which not more than three assignments shall have admitted claims exceeding one thousand crore rupees each.”

Explanation: An insolvency professional who, on the date of commencement of Insolvency and Bankruptcy Board of India (Insolvency Professionals) (.....Amendment) Regulations, 2025, is handling ten (10) or more such assignments shall not be eligible to accept any new such assignment until the number of his ongoing assignments falls below the limit specified in this regulation.”

(b) in Code of Conduct, Clause 22 and its Clarification shall be omitted.

VI. Public comments

16. The Board accordingly solicits comments on the proposals discussed above and to the draft amendments to Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.

17. This is issued in pursuance to regulation 4 of the Insolvency and Bankruptcy Board of India (Mechanism for Issuing Regulations) Regulations, 2018. After considering the comments, the Board proposes to make regulations under clause (aa), (d) and (g) of sub-section (1) of section 196 of the Code.

Submission of comments

18. Comments may be submitted electronically by 1st September 2025, for providing comments, please follow the process as under:

i. Visit IBBI website, www.ibbi.gov.in;

ii. Select ‘Public Comments’.

iii. Select ‘**Discussion paper - Review of Limit on Number of Assignments by IPs**’.

iv. Provide your Name, and Email ID;

v. Select the stakeholder category, namely, -

a) Corporate Debtor;

b) Personal Guarantor to a Corporate Debtor;

c) Proprietorship firms;

- d) Partnership firms;
- e) Creditor to a Corporate Debtor;
- f) Insolvency Professional;
- g) Insolvency Professional Agency;
- h) Insolvency Professional Entity;
- i) Academics;
- j) Investor; or
- k) Others.

vi. Select the kind of comments you wish to make, namely,

- a) General Comments; or
- b) Specific Comments.

vii. If you have selected ‘General Comments’, please select one of the following options:

- a) Inconsistency, if any, between the provisions within the regulations (intra regulations);
- b) Inconsistency, if any, between the provisions in different regulations (inter regulations);
- c) Inconsistency, if any, between the provisions in the regulations with those in the rules;
- d) Inconsistency, if any, between the provisions in the regulations with those in the Code;
- e) Inconsistency, if any, between the provisions in the regulations with those in any other law;
- f) Any difficulty in implementation of any of the provisions in the regulations;
- g) Any provision that should have been provided in the regulations, but has not been provided; or
- h) Any provision that has been provided in the regulations but should not have been provided.

And then write comments under the selected option.

viii. If you have selected ‘Specific Comments’, please select Para number and write comments under the selected para number.

ix. Click ‘Submit’ if you have no more comments to make.

Insolvency and Bankruptcy Board of India

12th August 2025

Subject: Discussion paper on deletion of Clause 6 from the Code of Conduct for Insolvency Professionals

This discussion paper aims to solicit views on retaining Clause 6 of the Code of Conduct, considering the detailed provisions regarding mode of sale already present in the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors) Regulations, 2018.

I. Introduction:

The enactment of the Insolvency and Bankruptcy Code, 2016 (IBC) provides a comprehensive procedural framework to deal with insolvency in a time bound manner. Since then, the evolution of IBC ecosystem has also been comprehensive significant behavioural change amongst the creditors and the debtors. Central to the IBC's success are Insolvency Professionals (IPs) who act as a vital link between the Adjudicating Authority, the Committee of Creditors, and other stakeholders within the IBC ecosystem. IPs are vested with extensive powers, effectively stepping into the shoes of the corporate debtor and assuming responsibility for managing its affairs. Given the significant discretion and power entrusted to IPs, maintaining high ethical standards is crucial for the integrity and efficiency of India's bankruptcy system. The Code of Conduct for Insolvency Professionals outlines these essential ethical and professional responsibilities.

II. Statutory provisions:

2. Clause 6 of the Code of Conduct for Insolvency Professionals stipulates that "*In cases where the insolvency professional is dealing with assets of a debtor during liquidation or bankruptcy process, he must ensure that he or his relatives do not knowingly acquire any such assets, whether directly or indirectly unless it is shown that there was no impairment of objectivity, independence or impartiality in the liquidation or bankruptcy process and the approval of the Board has been obtained in the matter*".

3. On the other hand, the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, specifically address the sale of assets during liquidation. For instance, Regulation 33(1) of the Liquidation Process Regulations explicitly prohibits certain persons from purchasing assets of the corporate debtor. Similarly, Regulation 27 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 addresses the Mode of Sale of assets and sub-clause 3 of the said regulations specifically prohibits certain persons from purchasing or acquiring any interest in the property of the bankrupt.

III. Statement of the Problem:

4. The proposal to delete Clause 6 from the Code of Conduct for Insolvency Professionals stems from the argument that its provisions are already comprehensively captured in the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, and the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors) Regulations, 2019. The problem, therefore, is the perceived duplication of the prohibition as provided in Clause 6 under the Code of Conduct when specific, stipulations already exist. Removing Clause 6 is proposed to streamline the regulatory framework, avoid potential duplication and redundancy, while also ensuring that specific prohibitions are primarily housed within the regulations that govern the procedural aspects of asset realization.

IV. Proposal:

5. **It is proposed that to avoid duplication and for promoting harmonization within the Regulations, Clause 6 be deleted from the Code of Conduct for Insolvency Professionals.**

Even if the clause is deleted, the prohibition against IPs or their relatives acquiring debtor assets during liquidation/bankruptcy would continue to be enforced through the relevant regulations. There would be no legal vacuum or weakening of the underlying principle and IPs would still be bound by the specific prohibitions in the regulations along with the general ethical principles of independence and impartiality embedded throughout the Code of Conduct and the IBC framework.

V. Rationale:

6. The primary arguments for the removal of the clause from the Code of Conduct are as follows:

- **Duplication and Redundancy:** The core prohibition and the underlying principle of preventing conflict of interest and ensuring impartiality are already explicitly covered and more granularly detailed in the Liquidation Process Regulations. Repeating the same in the Code of Conduct leads to duplication.
- **Clarity and Simplicity:** Removing redundant clauses can simplify the Code of Conduct, making it more concise and easier for IPs to navigate and understand their role and responsibilities under the Code.
- **Harmonization:** Maintaining a single source for such a specific prohibition within the regulations promotes harmonization and reduces the risk of different interpretations arising from similar nature of clauses appearing in different regulations under the Code.

7. Further, to address the challenges in asset sales during liquidation, the IBBI, in collaboration with the Indian Banks Association, has launched the BAANKNET platform (formerly eBKray), a centralised digital platform for listing and auctioning assets under liquidation. BAANKNET enhances transparency and efficiency by providing detailed asset information,

including images and geolocation, thereby improving bidder participation and maximizing creditor returns.

VI. Public comments:

8. The Board accordingly solicits comments on the proposal discussed above in para 5. This is issued in pursuance to regulation 4 of the Insolvency and Bankruptcy Board of India (Mechanism for Issuing Regulations) Regulations, 2018. After considering the comments, the Board proposes to make regulations under section 196 of the Code.

Submission of comments:

9. Comments may be submitted electronically by 1st September 2025. For providing comments, please follow the process as under:

- (i) Visit IBBI website, www.ibbi.gov.in;
- (ii) Select ‘Public Comments’;
- (iii) Select ‘Discussion paper – **“Discussion paper on deletion of Clause 6 from the Code of Conduct for Insolvency Professionals”**
- (iv) Provide your Name, and Email Id;
- (v) Select the stakeholder category, namely, -
 - a) Corporate Debtor;
 - b) Personal Guarantor to a Corporate Debtor;
 - c) Proprietorship firms;
 - d) Partnership firms;
 - e) Creditor to a Corporate Debtor;
 - f) Insolvency Professional;
 - g) Insolvency Professional Agency;
 - h) Insolvency Professional Entity;
 - i) Academics;
 - j) Investor; or
 - k) Others.
- (vi) Select the kind of comments you wish to make, namely, a) General Comments; or b) Specific Comments.
- (vii) If you have selected ‘General Comments’, please select one of the following options:

- a) Inconsistency, if any, between the provisions within the regulations (intra regulations);
- b) Inconsistency, if any, between the provisions in different regulations (inter regulations);
- c) Inconsistency, if any, between the provisions in the regulations with those in the rules;
- d) Inconsistency, if any, between the provisions in the regulations with those in the Code;
- e) Inconsistency, if any, between the provisions in the regulations with those in any other law; f) Any difficulty in implementation of any of the provisions in the regulations;
- g) Any provision that should have been provided in the regulations, but has not been provided; or
- h) Any provision that has been provided in the regulations but should not have been provided.

And then write comments under the selected option.

(viii) If you have selected ‘Specific Comments’, please select para 5 and then write comments under the selected para.

(viii) You can make comments on more than one para/sub-para or regulation / sub-regulation number, by clicking on More Comments and repeating the process outlined above from point (vi) onwards.

(ix) Click ‘Submit’, if you have no more comments to mark.
