

Powers and duties of the resolution professional

Section 25(1) of Insolvency and Bankruptcy Code 2016: It shall be the duty of the resolution professional to preserve and protect the assets of the corporate debtor, including the continued business operations of the corporate debtor.

(2) For the purposes of sub-section (1), the resolution professional shall undertake the following actions, namely:—

- (a) take immediate custody and control of all the assets of the corporate debtor, including the business records of the corporate debtor;
- (b) represent and act on behalf of the corporate debtor with third parties, exercise rights for the benefit of the corporate debtor in judicial, quasi-judicial or arbitration proceedings;
- (c) raise interim finances subject to the approval of the committee of creditors under section 28;
- (d) appoint accountants, legal or other professionals in the manner as specified by Board;
- (e) maintain an updated list of claims;
- (f) convene and attend all meetings of the committee of creditors;
- (g) prepare the information memorandum in accordance with section 29;
- (h) invite prospective lenders, investors, and any other persons to put forward resolution plans;
- (i) present all resolution plans at the meetings of the committee of creditors;
- (j) file application for avoidance of transactions in accordance with Chapter III, if any; and
- (k) such other actions as may be specified by the Board.

In furtherance to the duties to be performed by the resolution professional under section 25, the resolution professional shall also undertake the following:

- (1) manage the operations of the corporate debtor as a going concern;
- (2) without prejudice have the authority to enter into contracts on behalf of the corporate debtor or to amend or modify the contracts or transactions which were entered into before the insolvency commencement date;
- (3) have the authority to do all acts and to execute, in the name and on behalf of the corporate debtor, all deeds, receipts, and other documents, and for that purpose to use, when necessary, the seal of the corporate debtor, if any; and
- (4) to draw, accept, make and endorse any bill of exchange, hundi or promissory note in the name and on behalf of the company, with the same effect with respect to the liability of the corporate debtor as if the bill, hundi, or note had been drawn, accepted, made or endorsed by or on behalf of the corporate debtor in the normal course of its business.