

FAQS ON FILING DISLCOSURES

IBBI Circular dated 16th January, 2018: Disclosures by Insolvency Professionals and other Professionals appointed by Insolvency Professionals conducting Resolution Processes

Ques 1. When an Insolvency Professional (hereinafter referred as "IP") is required to file relationship disclosure?

Ans. An Insolvency Professional is required to file relationship disclosure (includes "NIL Disclosure") during:

- appointment as Interim Resolution Professional/Resolution Professional;
- appointment of other professionals for assistance
- constitution of committee of creditors
- raising of interim finance
- supply of information memorandum

Disclosures for above mentioned events shall be filed within 3 days from the occurrence of the event. For filing disclosures, please refer "**Disclosure User Manual**" available at http://ipaicmai.in/IPAWAP/UM_IPAWAP.pdf.

Ques 2. How an IP should disclose relationship while filing disclosures?

Ans. Interim Resolution Professional/Resolution Professional should select relationship of Kind A/B/C/D. IP should clearly read the circular before disclosing the relationship and determine the existence of relationship. However, if no option among A/B/C/D is selected, it will automatically result to no relationship for that particular filing of disclosure.

Ques 3. How an IP can edit the submitted disclosure?

Ans. If an IP wants to edit any disclosure, he/she shall state the reason for the same to the Monitoring Officer and shall mail the concern at monitoring@ipaicmai.in. After the receipt of mail, Monitoring Officer will connect the concerned IP with the IT department of IPA ICAI.

Ques 4. How an IP can get assistance if he/she is facing issue(s) while submitting disclosures?

Ans. If an IP is facing any issue while submitting disclosures, he/she shall share the screenshot of the page where issue has emerged and mail the same stating the issue monitoring@ipaicmai.in. After the receipt of mail,



Monitoring Officer will connect the concerned IP with the IT department of IPA ICAI.

Ques 5. What are the consequences of non submission of disclosures?

Ans. If an **IP is filing disclosure on the portal for the very first time** and delay is observed in the same (apart from technical issues), then an advisory from IPA ICAI will be sent to the member with regard to the compliance of the timelines of the circular for future filings. However if for further filings also delay with regard to timeline is observed then a Warning Letter shall be issued to an IP. On three times consecutive delay/non submission of pending disclosure (apart from technical issue), the matter will be referred to Monitoring Committee for further actions. However if a situation warrants, then matter may also be referred before Disciplinary Committee for further action.

Whereas if delay is observed in case of those **IPs (apart from technical issue) who have already handled assignments**, a Warning Letter shall be issued to the IP. On two times consecutive delay/non submission of pending disclosure (apart from technical issue), the matter will be referred to Monitoring Committee for further actions. However if a situation warrants, then matter may also be referred before Disciplinary Committee for further action.



IBBI Circular dated 12th June,2018: Fee and other Expenses incurred for Corporate Insolvency Resolution Process

Ques 1. When an IP is required to file cost disclosure?

Ans. An IP who acted as an Interim Resolution Professional shall file Form 1 and 2 within 7 days from demitting the office. However an Interim Resolution Professional will be able to file Form 1&2 only when disclosure with regard to the "Appointment of IRP" has been duly filed on the portal.

An IP who acted as Resolution Professional shall file Form 3 within 7 days from demitting the office. However a Resolution Professional will be able to file Form 3 only when disclosure with regard to the "Appointment of RP" has been duly filed on the portal.

For filing disclosures, please refer "**Disclosure User Manual**" available at http://ipaicmai.in/IPAWAP/UM_IPAWAP.pdf.

Ques 2. Whether cost disclosure should be filed in the event of non receipt of fees?

Ans. Interim Resolution Professional/Resolution Professional should file the disclosures timely irrespective of the fact whether fee has been received or not. A "Remarks" column has been provided where IP can state additional information (if required).

Ques 3. Whether an IP should file Form 1 & 2 if Interim Resolution Professional has not been appointed as Resolution Professional but performing the functions of Resolution Professional?

Ans. In such case IP should file Form 1 & 2 when he demit the office of corporate debtors in terms of his/her responsibilities and duties.

Ques 4. How an IP can edit the submitted disclosure?

Ans. If an IP wants to edit any disclosure, he/she shall state the reason for the same to the Monitoring Officer and shall mail the concern at monitoring@ipaicmai.in. After the receipt of mail, Monitoring Officer will connect the concerned IP with the IT department of IPA ICAI.

Ques 5. In which head an IP shall disclose the fee paid to the Insolvency Professional Entity (IPE) ?

Ans. IP shall disclose the fee paid to the IPE for rendering support services under the head "Support Services". Moreover IP should note that IPE



should raise a separate invoice in its name with regard to the support services offered to the IP.

Ques 6. How an IP can get assistance if he/she is facing issue(s) while submitting disclosures?

Ans. If an IP is facing any issue while submitting disclosures, he/she shall share the screenshot of the page where issue has emerged and mail the same stating the issue monitoring@ipaicmai.in. After the receipt of mail, Monitoring Officer will connect the concerned IP with the IT department of IPA ICAI.

Ques 7. What are the consequences of non submission of disclosures?

Ans. If an **IP is filing disclosure on the portal for the very first time** and delay is observed in the same (apart from technical issues), then an advisory from IPA ICAI will be sent to the member with regard to the compliance of the timelines of the circular for future filings.

Whereas if delay is observed in case of those **IPs (apart from technical issue) who have already handled assignments**, a Warning Letter shall be issued to the IP. On two times consecutive delay/non submission of pending disclosure (apart from technical issue), the matter will be referred to Monitoring Committee for further actions. However if a situation warrants, then matter may also be referred before Disciplinary Committee for further action.

