



**INSOLVENCY PROFESSIONAL AGENCY OF
INSTITUTE OF COST ACCOUNTANTS OF INDIA**
(Section 8 Company registered under the Companies Act, 2013)

**Compliances to be made by IPs under IBC 2016 to IBBI and IPA of
Institute of Cost Accountants of India**

As per the IBBI (Insolvency Professionals) Regulations, 2016 and the Code of Conduct for Insolvency Professionals, every Insolvency Professional (IP) is required to comply with the following reporting and disclosure requirements. These are in accordance with provisions of the Insolvency and Bankruptcy Code, 2016, and Monitoring Policy of Insolvency Professional Agency of Institute of Cost Accountants of India (IPA of ICAI).

• ***FIRST SCHEDULE [Under Regulation 7(2)(h)]***

CODE OF CONDUCT FOR INSOLVENCY PROFESSIONALS

8. An insolvency professional shall disclose the existence of any pecuniary or personal relationship with any of the stakeholders entitled to distribution under sections 53 or 178 of the Code, and the concerned corporate person/ debtor as soon as he becomes aware of it, by making a declaration of the same to the applicant, committee of creditors, and the person proposing appointment, as applicable.

8A. An insolvency professional shall disclose as to whether he was an employee of or has been in the panel of any financial creditor of the corporate debtor, to the committee of creditors and to the insolvency professional agency of which he is a professional member and the agency shall publish such disclosure on its website.

8B. An insolvency professional shall disclose [its] relationship, if any, with the corporate debtor, other professionals engaged by [it], financial creditors, interim finance providers, and prospective resolution applicants to the insolvency professional agency of which he is a member, within the time specified hereunder

Relationship of the insolvency professional with	Disclosure to be made within three days of
Corporate Debtor	his appointment
Registered valuers / accountants/ legal professionals/ other professionals appointed by him	appointment of the professionals.
Financial Creditors	the constitution of committee of creditors.

Interim Finance Providers	the agreement with the interim finance provider.
Prospective Resolution Applicants	the supply of information memorandum to the prospective resolution applicant.
If relationship with any of the above, comes to notice or arises subsequently	of such notice or arising.

8C. An insolvency professional shall ensure disclosure of the relationship, if any, of the other professionals engaged by [it] with [itself], the corporate debtor, the financial creditor, the interim finance provider, if any, and the prospective resolution applicant, to the insolvency professional agency of which he is a member, within the time specified as under:

Relationship of the other professional with	Disclosure to be made within three days of
Insolvency professional	the appointment of the other professional.
Corporate debtor	the appointment of the other professional
Financial creditors	constitution of committee of creditors

Kind of Relationship

Kind of relationship	Nature of relationship
A	Where the insolvency professional or the other professional, as the case may be, has derived 5% or more of his / its gross revenue in a year from professional services to the related party
B	Where the insolvency professional or the other professional, as the case may be, is a shareholder, director, key managerial personnel or partner of the related party.
C	Where a relative (spouse, parents, parents of spouse, sibling of self and spouse, and children) of the insolvency professional or the other professional, as the case may be, has a relationship of kind A or B with the related party
D	Where the insolvency professional or the other professional, as the case may be, is a partner or director of a company, firm or LLP, such as, an insolvency professional entity or registered valuer, the relationship of kind A, B or C of every partner or director of such company, firm or LLP with the related party
Interim finance providers	the agreement with the interim finance provider or three days of the appointment of the other professional, whichever is later
Prospective resolution applicants	the supply of information memorandum to the prospective resolution applicant or three days of the appointment of the other professional, whichever is later.

If relationship with any of the above, comes to notice or arises subsequently	of such notice or arising.
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For the purposes of clause 8B and 8C above, 'relationship' shall mean any one or more of the following four kinds of relationships at any time or during the three years preceding the appointment of other professionals:

8D. An insolvency professional shall ensure timely and correct disclosures by [it], and other professionals appointed by [it] and shall provide a confirmation to the insolvency professional agency of which he is a professional member to the effect that the appointment, if any, of every other professional has been made at arms' length relationship.

25A. An insolvency professional shall disclose the fee payable to [it], the fee payable to the insolvency professional entity, and the fee payable to professionals engaged by [it] to the insolvency professional agency of which he is a professional member and the agency shall publish such disclosure on its website.

- **Compliance Requirements as per the Monitoring Policy of IPA ICAI**

Compliance Requirement	Timeline
Submission of records to IBBI and IPA (Section 208(2)(d) of IBC 2016)	As and when proceedings occur
Monthly Status Report	By 7 th day of every month for ongoing assignments
Event-based Reporting	Within 24 hours of the event (penalty/legal action, etc.)
Half-Yearly Report	15 th October and 15 th April for respective half-year periods
Conclusion Report	Within 7 days of the conclusion of assignment

Under Section 208(2)(d) Insolvency and Bankruptcy Code 2016:

Every insolvency professional shall abide by the following code of conduct: to submit a copy of the records of every proceeding before the Adjudicating Authority to the Board, as well as to the insolvency professional agency of which he is a member.

Monthly Status Report: To be submitted by 7th day of each month for all ongoing assignments to the Monitoring Department of IPA of ICAI, as per the format prescribed under the Monitoring Policy.

Requirement	Timeline
Submit Monthly Status Report for all ongoing assignments in prescribed format	By the 7th day of every month
Continue submission until vacation of office as IRP/RP/Liquidator	Throughout assignment period

Event-Based Reporting: The Professional Member must report to IPA within 24 hours in the event of any warnings, penalties, or initiation of legal action against the Professional Member.

Event Trigger	Reporting Timeline
Any warnings, penalties, or strictures imposed by a competent authority	Within 24 hours of occurrence
Initiation of legal action against the Insolvency Professional	Within 24 hours of occurrence

Half-Yearly Report: As per Regulation 16 of the IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016, every Professional Member shall submit a report on ongoing and concluded assignments twice annually in the format specified by IPA, even if no assignment is being handled (in which case 'NIL' report should be filed).

Reporting Period	Last Date of Submission
1st April to 30th September	15th October
1st October to 31st March	15th April

Report on Conclusion of Assignments: Every member shall submit a conclusion report within 7 days of completing each assignment to IPA, including a copy of the approved resolution plan or the liquidation order, as applicable.

Penalties for Delay

Delays in submission of HYR attract penalties as per the Monitoring Policy:

- Delay up to 15 days: Condoned without penalty.
- Delay between 15–45 days: May be condoned by Monitoring Committee without penalty.
- Delay beyond 45 days: Penalty of Rs. 100 per day from the 45th day.
- Delay beyond 90 days: The Case will be referred to the Disciplinary Committee.