

**THE GAZETTE OF INDIA  
EXTRAORDINARY  
PART III, SECTION 4  
PUBLISHED BY AUTHORITY  
NEW DELHI, TUESDAY, JUNE 14, 2022**

**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA  
NOTIFICATION**

New Delhi, the 14<sup>th</sup> June, 2022

**Insolvency and Bankruptcy Board of India (Inspection and Investigation) (Amendment) Regulations, 2022**

**No. IBBI/2022-23/GN/REG087.-** In exercise of the powers conferred under sections 196, 217, 218, 219, 220 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 further to amend the Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017, namely: -

1. (1) These Regulations may be called the Insolvency and Bankruptcy Board of India (Inspection and Investigation) (Amendment) Regulations, 2022.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017 (hereinafter referred to as ‘the principal regulations’), in regulation 2, in sub- regulation (1),

(i) in clause (i), the word “and” shall be omitted.

(ii) in clause (j), after the word “information utility” the mark “.” shall be replaced with mark and word “; and”.

(iii) after clause (j), the following clause shall be inserted, namely: -

“(k) “stakeholder” means a stakeholder as defined in clause (j) of sub-regulation (1) of regulation 2 of the Insolvency and Bankruptcy Board of India (Grievance and Complaint Handling Procedure) Regulations, 2017.”

3. In the principal regulations, for the word “clients”, wherever it occurs, the word “stakeholders” shall be substituted.

4. In the principal regulations, in regulation 10,

(i) in sub-regulation (1), for the words “a copy of the draft investigation report” the words “the investigation report” shall be substituted;

(ii) in sub-regulation (2) the word “draft” wherever it occurs shall be omitted.

5. In the principal regulations, after CHAPTER III, the following chapters shall be inserted, namely: -

**“CHAPTER III-A  
INVESTIGATION DURING DISPOSAL OF COMPLAINT OR GRIEVANCE**

**10A. Investigation during disposal of complaint or grievance.**

Notwithstanding anything contained in Chapter III, the processing of a complaint or grievance or material available on record under the Insolvency and Bankruptcy Board of India (Grievance and Complaint Handling Procedure) Regulations, 2017, shall mean investigation under this regulation and in such case the processing papers shall mean the investigation report under regulation 10:

Provided that nothing in this regulation shall restrict the Board to appoint an inspecting authority under Chapter-II or an investigating authority under Chapter-III.”

**CHAPTER III-B  
INTERIM ORDER ON MATERIAL AVAILABLE ON RECORD**

**10B. Interim order on material available on record.**

(1) If based on material available on record, the Board is satisfied that prima facie, there is a violation of the provisions of the Code or the rules or regulations made thereunder by the service provider, and an immediate action under sub-section (2) of section 220 is warranted, the Board shall refer the matter to the Disciplinary Committee for an appropriate action.

(2) On consideration of the matter referred under sub-regulation (1), the Disciplinary Committee may pass an interim order with appropriate directions.

(3) The interim order referred to sub-regulation (2) shall lapse on expiry of ninety days from the date of the order.”

6. In the principal regulations, in regulation 11, in sub-regulation (2), after the words “sub-regulation (1),” the words, “or on the basis of material otherwise available on record” shall be inserted.

7. In the principal regulations, in regulation 12, in sub-regulation (1) -

(i) for clause (d), the following clause shall be substituted, namely: -

“(d) the provisions of the Code, rules, regulations and guidelines thereunder allegedly violated, or the manner in which the public interest is allegedly affected;”.

(ii) in clause (e), the word, “and” shall be omitted.

(iii) after clause (f), the following clauses shall be inserted, namely:-

“(g) the manner in which service provider is required to respond to the show cause notice; and

(h) consequences of failure to respond to the show-cause notice.”

8. In the principal regulations, in regulation 12, in sub-regulation (3) for the words and figures “at least 21”, the words “fifteen” shall be substituted.

9. In the principal regulations, in regulation 12, for sub-regulation (6), the following sub-regulation shall be substituted, namely: –

“(6) A show-cause notice shall be served on the service provider in electronic form at the email address provided by the service provider to the Board and a copy shall also be sent by registered post.”

10. In the principal regulations, in regulation 13, for sub-regulation (2), the following shall be substituted:

“(2) The Disciplinary Committee shall endeavour to dispose of the show-cause notice within a period of thirty-five days of the date of the issuance of the show-cause notice.”

11. In the principal regulations, in regulation 13, in sub-regulation (3), after clause (b), the following clause shall be inserted, namely: -

“(ba) suspension or cancellation of authorisation for assignment of an insolvency professional;”

12. In the principal regulations, in regulation 13, for the sub-regulation (5), the following sub-regulation shall be substituted, namely: -

“(5) The order passed under sub-regulation (1) shall be served upon the service provider in an electronic form and be published on the website of the Board:

Provided that where the service provider is an insolvency professional, a copy of the order shall be sent to the insolvency professional agency of which he is a professional member.”

13. In the principal regulations, in regulation 13, for the sub-regulation (6), the following sub-regulations shall be substituted, namely: -

“(6) The Disciplinary Committee shall in the order passed under sub-regulation (1) require the service provider-

- (a) to discharge pending obligations, if any;
- (b) to continue its functions till such time as may be directed, only to enable stakeholders to shift to another service provider; and
- (c) to comply with any other directions.

(7) In case where the service provider is an insolvency professional, the Board shall intimate the order to all the members of committee of creditors of the insolvency resolution processes in which he is acting as an interim resolution professional or resolution professional, as the case may be, and to the Adjudicating Authority.”

RAVI MITAL, Chairperson  
[ADVT .....]

**Note:** The Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017 were published *vide* notification No. IBBI/2017-18/GN/REG011 on 12<sup>th</sup> June, 2017 in the Gazette of India, Extraordinary, Part III, Section 4, No. 239 dated 12<sup>th</sup> June, 2017.