

What is the Insolvency and Bankruptcy Board of India (IBBI)?

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About Insolvency and Bankruptcy Board of India (IBBI)

- The IBBI was established on October 1, 2016 in accordance with the provisions of the 'Insolvency and Bankruptcy Code, 2016'.
- It is responsible for the implementation of the IBC. The IBC amends and consolidates the laws relating to the insolvency resolution of individuals, partnership firms, and corporate persons in a time-bound manner.
 - The IBBI regulates professionals as well as processes.
 - It has regulatory oversight over the insolvency professional agencies, insolvency professional entities, insolvency professionals, and information utilities.
 - It enforces rules for processes of corporate insolvency resolution, individual insolvency resolution, corporate liquidation, and individual bankruptcy under the IBC.
- It has also been designated as the 'Authority' under the Companies (Registered Valuers and Valuation Rules), 2017 for the regulation and development of the profession of valuers in the country.
- Constitution of the Board: The Board consists of the following members who are appointed by the Central Government:

- A Chairperson.
 - Three members from among the officers of the Central Government equivalent or not below the rank of a Joint Secretary. Out of the three members, each will represent the Ministry of Finance, the Ministry of Corporate Affairs, and the Ministry of Law, ex-officio.
 - One member nominated by the RBI (Reserve Bank of India), ex-officio.
 - Five other members nominated by the Central Government, out of which at least three should be whole-time members.
 - The term of office of the Chairperson and members (other than ex-officio members) is five years or until they attain sixty-five years, whichever is earlier, and they are eligible for re-appointment.
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Q1) What is Insolvency and Bankruptcy?

Insolvency is a financial state where a person cannot meet debt payments on time. Bankruptcy is a legal process that happens when the individual declares he or she can no longer pay back his or her debts to creditors.

Source: [Equal access. Personal guarantors' insolvency: IBBI mandates Resolution Professionals to provide reports to both debtor and creditor for enhanced transparency](#)

Source: <https://vajiramandravi.com/current-affairs/ibbi/>

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