

## **Approval of Resolution Plan**

As per the Reg.39 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) .

### **Submission of Resolution Plan**

- (1) A prospective resolution applicant in the final list may submit resolution plan or plans prepared in accordance with the Code and regulations made thereunder to the resolution professional electronically within the time given in the request for resolution plans under regulation 36B along with
- (a) an affidavit stating that it is eligible under section 29A to submit resolution plans;
  - (c) an undertaking by the prospective resolution applicant that every information and records provided in connection with or in the resolution plan is true and correct and discovery of false information and record at any time will render the applicant ineligible to continue in the corporate insolvency resolution process, forfeit any refundable deposit, and attract penal action under the Code.

*(1A) A resolution plan which does not comply with the provisions of sub-regulation (1) shall be rejected.*

### **Submission of Resolution Plan with the CoC**

(2) The resolution professional shall submit to the committee all resolution plans which comply with the requirements of the Code and regulations made thereunder along with the details of following transactions, if any, observed, found or determined by him: -

- (a) preferential transactions under section 43;
- (b) undervalued transactions under section 45;
- (c) extortionate credit transactions under section 50; and
- (d) fraudulent transactions under section 66,

and the orders, if any, of the adjudicating authority in respect of such transactions.]

(3) The committee shall-

**(a) evaluate the resolution plans received under sub-regulation (2) as per evaluation matrix;**

**(b) record its deliberations on the feasibility and viability of each resolution plan; and**

**(c) vote on all such resolution plans simultaneously.**

### **When there is only one Resolution Plan**

(3A) Where only one resolution plan is put to vote, it shall be considered approved if it receives requisite votes.

### **Where there is more than one Resolution Plans**

(3B) Where two or more resolution plans are put to vote simultaneously, the resolution plan, which receives the highest votes, but not less than requisite votes of 66%, shall be considered as approved:

Provided that where two or more resolution plans receive equal votes, but not less than requisite votes, the committee shall approve any one of them, as per the tie-breaker formula announced before voting:

Provided further that where none of the resolution plans receives requisite votes, the committee shall again vote on the resolution plan that received the highest votes, subject to the timelines under the Code.

### **Submission of Approved Resolution Plan with Adjudicating Authority**

(4) The resolution professional shall endeavor to submit the resolution plan approved by the committee to the Adjudicating Authority at least fifteen days before the maximum period for completion of corporate insolvency resolution process under section 12, along with a compliance certificate in Form H of the Schedule and the evidence of receipt of performance security required under sub-regulation (4A) of regulation 36B.

(5) The resolution professional shall forthwith send a copy of the order of the Adjudicating Authority approving or rejecting a resolution plan to the participants and the resolution applicant.

(7) No proceedings shall be initiated against the interim resolution professional or the resolution professional, as the case may be, for any actions of the corporate debtor, prior to the insolvency commencement date.

*[(9) A creditor, who is aggrieved by non-implementation of a resolution plan approved under sub-section (1) of section 31, may apply to the Adjudicating Authority for directions.]*