

Insolvency and Bankruptcy Board of India
7th Floor, Mayur Bhawan, Connaught Place, New Delhi-110001

CLARIFICATION

No.: IBBI/CIRP/2021

16th April, 2021

To

All Registered Insolvency Professionals

All Recognised Insolvency Professional Entities

All Registered Insolvency Professional Agencies

(By mail to registered email addresses and on website of the IBBI)

Dear Madam / Sir,

Sub: Consideration of matters / issues by the committee of creditors on request by members of the committee.

Regulation 18 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) provides that a resolution professional (RP) may convene a meeting of the committee of creditors (CoC), when he considers it necessary. He shall, however, convene a meeting of the CoC, if a request to that effect is made by members of the CoC representing 33% of the voting rights.

2. Regulation 19 of the CIRP Regulations requires a notice in writing for calling a meeting of the CoC. Regulation 21 requires that the notice for a meeting of the CoC shall contain a list of matters to be discussed, the list of issues to be voted, and copies of all documents relevant to the matters to be discussed and issues to be voted upon at the meeting.

3. It is clear from a joint reading of the provisions of regulations 18, 19 and 21 of the CIRP Regulations that members of the CoC having 33% of the voting rights may request the RP to convene a meeting of the CoC. Such request shall include a note proposing the matters to be discussed or issues to be voted upon, along with relevant documents, if any. On receipt of the request, the RP shall convene a meeting of the CoC for consideration of the note. These provisions envisage the following situations:

Sl. No.	Situation	Action by the RP
1	Members of the CoC having at least 33% of the voting rights request the RP, along with a note, to convene a meeting of the CoC.	The RP shall forthwith convene a meeting of the CoC for consideration of the note, or place the note for consideration in a meeting of the CoC, if it is already scheduled.
2	Members of the CoC having at least 33% of the voting rights request the RP, along with a note, to place the note for consideration in a meeting of the CoC.	The RP shall place the note for consideration in the ensuing meeting of the CoC.
3	Members of the CoC having less than 33% of the voting rights request the RP, along with a note, to convene a meeting of the CoC.	The RP shall consider the request expeditiously on merits. If he considers it necessary, he shall convene a meeting of the CoC for consideration of the note, or place the

		note for consideration in a meeting of the CoC, if it is already scheduled.
4	Members of the CoC having less than 33% of the voting rights request the RP, along with a note, to place the note for consideration in a meeting of the CoC.	The RP shall consider the request expeditiously on merits. If he considers it necessary, he shall place the note for consideration in the ensuing meeting of the CoC.

Note: 'Note' means a note proposing the matters to be discussed or issues to be voted upon, along with relevant documents, if any, in a meeting of the CoC.

4. This clarification is issued in exercise of the powers under clause (aa) of sub-section (1) of section 196 of the Insolvency and Bankruptcy Code, 2016.

Yours faithfully,
Sd/-
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Deputy General Manager
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