

## **INSOLVENCY & BANKRUPTCY CODE (IBC) 2016**

### **Empanelment of Insolvency Resolution Professional:**

A Panel of Insolvency Resolution Professionals Individual/Firms/LLPs or any such constituted entities shall be empanelled as per the criteria specified and on the terms and conditions stipulated by our Bank:

### **Criteria for selection of various professionals (Insolvency Resolution Professionals (IRP) /Resolution Professionals (RP) /Liquidators), are given below :-**

- a) Should have a Permanent & Valid Registration with the IBBI;
- b) Preference shall be given to IRP's having atleast 15 years of professional experience out of which 5 years of relevant experience in handling matters relating to Rehabilitation of Companies, which may include Corporate Debt restructuring/ Strategic Debt Restructuring Schemes or arrangement under Section 319 to 394 of the Companies Act/ Winding up of companies, BIFR, financial restructuring, change in management of companies, and should be well versed in Companies Act 2013, IBC 2016 and other connected Acts & legislations.; *(the details of experience and all documentary proof shall be provided as Annexures)*
- c) Location availability;
- d) Should not have any conflict of interest
- e) Should agree to the banks terms and conditions and fees payable;
- f) Should have an unblemished track record
- g) Should not have any criminal proceedings or any other judicial/quasi judicial proceedings pending against him & General Background verification check should be acceptable;
- h) Shall undertake that he/she or his/her Firm shall not appear/advise or represent interest, adverse to the Bank's interests.

### **And Should**

- i. Have the appropriate support system with professionals, consultants and advisors to conduct the CIR process in the manner prescribed under the Code and to the satisfaction of the interested parties;
- ii. Have the ability and resources to recourse lawyers, valuers, industry experts and accountants in cases where their respective expertise is required;
- iii. Have the adequate information technology provisions and staff to conduct voting of the creditors by way of a physical meeting as well as through electronic voting;
- iv. Have the ability and capacity to organize and arrange the interim management of the debtor and its operations as a going concern; and
- v. Have the ability to secure and protect the assets of the debtor to protect the underlying value of the enterprise.

**Annexure -1**

**APPLICATION FORMAT FOR EMPANELMENT OF INSOLVENCY RESOLUTION PROFESSIONAL**

**TO**

**The General Manager/Deputy General Manager  
Canara Bank  
Circle Office**

**Dear Sir/Madam,**

**Sub: Application for empanelment as Insolvency Resolution Professional**

I, \_\_\_\_\_ S/o/ D/o Sri/Smt \_\_\_\_\_ is qualified to act as Interim Resolution Professional as per the standards set by the Insolvency and Bankruptcy Board of India (IBBI) in lieu of the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations thereof. I have been granted the certificate of registration by the Insolvency and Bankruptcy Board of India (IBBI) and enrolled as a Professional member with the \_\_\_\_\_ (Name of the Insolvency professional agency). I hereby wish to submit my application for empanelment as Insolvency Professional with your Bank. My personal and other details are as follows;

**I. Personal Details (If the Applicant is individual)**

1	Title	Mr./Mrs./Ms
2	Name	
3	Date of Birth	
4	PAN Number	
5	AADHAR Number	
6	Permanent Address	
7	Address for correspondence	
8	Email	
9	Phone No (Office)	
10	Mobile No	

## II. Qualifications

### A. Educational Qualifications

Sl No	Educational Qualifications	Year of Passing	Marks (%)	Grade/Class	University/College	Remarks, If any

### B. Professional Qualifications

Sl No	Professional Qualifications	Institute/Professional Body	Membership/Enrolment No	Date of Enrolment	Remarks, If any

## III. Insolvency Professional Registration Details

1. Registration No with IBBI :
2. Date of Registration :
3. Registration validity :

## IV. Insolvency Professional Agency Details

1. Name of the Agency :
2. Enrollment No :
3. Membership valid till :

## V. Work Experience

Sl No	From Date	To Date	If employed, Designation & name of Employer	Whether Advocate/Chartered Accountant/Cost Account	Area of Work

## VI. Additional Information:

1. Are you a resident of India? : Yes/No  
(If no, please furnish the details)
2. Have you ever subjected to any insolvency proceedings : Yes/No  
(If yes, please furnish the details)
3. Have you ever been convicted for any offence : Yes/ No  
(If yes, please furnish details)
4. Are there any criminal proceedings pending against you? : Yes/No  
(If yes, please furnish details)
5. Have you ever defaulted in repayment of dues of any Bank? : Yes/No  
(If yes, please furnish details)

6. Have you ever been declared as a wilful defaulter? : Yes/No  
(If yes, please furnish details)
7. Have you ever held any Senior or Key position or position of Director in a Company or LLP?, If so, please furnish the details. : Yes/No
8. Have you ever associated with a Company or LLP which was declared as a wilful defaulter?. If so, please furnish the details. :Yes/No
9. Have you ever associated with a Company or LLP in the capacity of Director or Key person, which is subjected to investigation by SEBI, Serious Fraud Investigation Office of the Ministry of Corporate Affairs, Enforcement Directorate or such investigation agencies under the economic laws of India or other countries. :Yes/No  
(If Yes, please furnish the details)

**VII. ATTACHMENTS (Self Attested copy of the following are to be submitted)**

1. Passport-size photograph-1 (One)
2. Proof of identity.
3. Proof of residence.
4. Pan Card.
5. Certificate of registration with IBBI as Insolvency Professional.
6. Documents in support of the educational qualification.
7. Documents in support of the professional qualification.
8. Documents in support of enrolment with the professional membership.
9. Document in support of professional membership with Insolvency Professional Agency.
10. Documents in support of qualifying in the IBBI examination or equivalent.
11. Documents in support of work experience.
12. Financial statement/Income Tax Returns for the last 3 (three) years.

**Note: The applications should be forwarded through concerned Circle Offices.**

**VIII. AFFIRMATIONS**

1. Self Attested copies of all the documents as mentioned under Clause G above are attached herewith. Further, I undertake to furnish any additional information as and when called for by the Bank.
2. I am not disqualified from being acting as an Insolvency Resolution Professional under the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.
3. This application and the information provided by me along with this application are true and complete. If the contents or the enclosure to this application is found to be false and misleading at any stage, Bank shall have the right to initiate appropriate action permissible under law, including reporting the matter to IBBI.
4. I hereby undertake to comply with the requirements to be complied with by the Insolvency Resolution Professional as per the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations thereof.
5. I shall promptly notify the Bank in the event of my disqualification to act as the Insolvency Resolution Professional.

Place:

Date:

Name and Signature of the Applicant

### 1.1. Fee payable to the Insolvency Resolution Professional (IRP)

1. Consolidated fees per borrower payable to the Interim Insolvency Resolution Professional who IS also appointed as the Resolution professional by the COCs shall be as under:

SL No	Claim amount/ Share of our Bank (in Rupees)	Maximum Fee payable per borrower* (in Rupees)
1	Up to 50 crore	3.00 lacs
2	Above 50 crore up to 100 crore	5.00 lacs
3	Above 100 crore	10.00 lacs

\*GST will be payable over and above the fees.

\*TDS as applicable will be deducted.

#### NOTE:

1. The above fee structure is indicative of the maximum fee payable by our Bank as our share of the consolidated amount payable to the IRP per borrower. E.g. If the fee is Rs 20 lacs in a consortium account having Rs 400 cr exposure wherein our share/claim amount is only 10% (i.e. Rs 40 Cr), then our contribution will be Rs 2.00 lacs (i.e 10% of Rs 20 Lacs) which is within the maximum permissible under Item 1 above. If our share in the consortium is 60%, the fee payable by our bank as our share will be Rs 12 lacs. However the powers delegated is only Rs 10.00 lac for exposure above Rs 100 cr, in such cases, prior approval of Executive Director to be taken. Adequate justification shall be provided for recommending fees higher than the prescribed fees as stated above. However the same shall be negotiated depending upon each individual case.
2. In case it is decided to change the Interim RP and a fresh RP is nominated, the pro-rata amount for the period upto and beyond 30 days may be paid to the Interim RP till such time the RP is approved by the IBBI and takes over from the Interim RP.

As per the provisions of IBC, the Committee of Creditors on their first meeting shall either resolve to appoint the same IRP as the Resolution Professional or to replace the IRP by another Resolution Professional. Hence, in the corporate insolvency resolution process, the CoC may agree to have the same IRP as the Resolution Professional or may have a fresh Resolution Professional appointed.

### 2. Fees Payable to the Interim Resolution professional who is NOT appointed as the Resolution Professional by the COC :

SL No	Claim amount/ Share of our Bank (in Rupees)	Maximum Fee payable per borrower (in Rupees)
1	Up to 50 crore	1.00 lacs
2	Above 50 crore up to 100 crore	2.00 lacs
3	Above 100 crore	4.00 lacs

\*GST will be payable over and above the fees.

\*TDS as applicable will be deducted.

In case of resignation or removal of the RP for any reason during the CIRP, he will be entitled only for proportional amount of fees. However, he will not be entitled to such fees in the event of removal resulting from breach of terms of his appointment and in the event of his acting in violation of provisions of Code or terms of his appointment.

**3. Fee payable to the Insolvency Professional if appointed by our Bank in special cases:**

IBC permits Bank as a Financial Creditor who is the member of the Committee of Creditors to appoint an Insolvency Professional other than the Resolution Professional to represent it in the Committee of Creditors. By this nature, the fee payable to such Insolvency Professional **will have to be borne by the Bank alone.**

In the event the Competent Authority decides to engage a Insolvency professional in any matter which in its opinion is complicated and requires the assistance of an expert the **consolidated fee** payable to the Insolvency Professional for the entire period of the process shall be as under;

SL No	Claim amount of our Bank (in Rupees)	Maximum Fee payable to Insolvency Professional (in Rupees)
1	Up to 10 crore	1.00 lacs
2	Above 10 crore up to 50 crore	2.00 lacs
3	Above 50 crore up to 100 crore	3.00 lacs
4	Above 100 crore up to 500 crore	5.00 lacs
5	Above 500 crore	7.50 Lacs

**\*GST will be payable over and above the fees.**

**\*TDS as applicable will be deducted.**

For the purpose of this clause the Competent Authority shall mean the same authority that has permitted to initiate the Insolvency proceedings as delegated under this policy

**4. Liquidator’s Fee (As per Regulation 4 (c) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016**

Amount of realisation/ Distribution (in rupees)	Percentage of fee on the amount realised/distributed			
	In the first six months	In the next six months	In the next one year	Thereafter
<b>Amount of realisation (exclusive of liquidation costs)</b>				
On the first 1 crore	<b>5.00</b>	<b>3.75</b>	<b>2.50</b>	<b>1.88</b>
On the next 9 crore	<b>3.75</b>	<b>2.80</b>	<b>1.88</b>	<b>1.41</b>
On the next 40 crore	<b>2.50</b>	<b>1.88</b>	<b>1.25</b>	<b>0.94</b>

On the next 50 crore	<b>1.25</b>	<b>0.94</b>	<b>0.68</b>	<b>0.51</b>
On further sums realized	<b>0.25</b>	<b>0.19</b>	<b>0.13</b>	<b>0.10</b>
<b>Amount Distributed to Stakeholders</b>				
On the first 1 crore	<b>2.50</b>	<b>1.88</b>	<b>1.25</b>	<b>0.94</b>
On the next 9 crore	<b>1.88</b>	<b>1.40</b>	<b>0.94</b>	<b>0.71</b>
On the next 40 crore	<b>1.25</b>	<b>0.94</b>	<b>0.63</b>	<b>0.47</b>
On the next 50 crore	<b>0.63</b>	<b>0.48</b>	<b>0.34</b>	<b>0.25</b>
On further sums distributed	<b>0.13</b>	<b>0.10</b>	<b>0.06</b>	<b>0.05</b>

Note:- In either case as discussed above, the fee payable to the Liquidator shall form a part of the liquidation cost.

**Annexure- 2**

**LETTER OF UNDERTAKING GIVEN BY THE INSOLVENCY PROFESSIONAL WHILE SUBMITTING HIS APPLICATION:-**

- a. They are agreed for fee and other charges as per Bank's Rules.
- b. They should not use Bank's name, symbol etc. in their letter head, signature, Board, Name plates, pamphlets, etc; such as 'Insolvency Professional advisor to Canara Bank' / 'Insolvency Professional for Canara Bank', etc.
- c. They shall not appear / advise against any Branch / Office of the Bank, under any circumstances.
- d. Inclusion of their name in the Bank's panel shall not constitute an appointment or a right for an appointment to be made by the Bank and that Bank reserves its right to terminate such engagement at any time.
- e. The Bank is free to employ any Insolvency Professional of its own choice and no right exists for an empanelled Insolvency Professional to claim that he alone should be entrusted with Bank's work.
- f. There shall be review of performance of panel Insolvency Professional by the Bank every year.

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