



INSOLVENCY & BANKRUPTCY

IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2025 Makes Accuracy and Punctuality Non-Negotiable for Resolution Professionals

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Late filings and sketchy paperwork have long hampered the insolvency resolution of personal guarantors to corporate debtors. Recognising that every missing Form erodes both creditor confidence and judicial speed, the Insolvency and Bankruptcy Board of India stepped in on 20 November 2025 with a crisp one-page amendment that adds a single but weighty new rule to the 2019 Regulations. Published in the extraordinary Gazette the very next day, the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2025 insert brand-new Regulation 23 and make punctual, accurate electronic filing a statutory duty backed by a recurring monetary penalty.

The core of the reform is procedural discipline. Regulation 23(1) obliges the resolution professional to file every Form that the Board notifies through a circular, complete with all enclosures, by the deadline prescribed in that circular. There is no discretion; the due date is the due date. To remove any ambiguity about where the documents must land, sub-regulation (2) states that the Board will host the Forms on its own electronic platform and may alter them from time to time. Professionals therefore have one central portal to watch and one version of the truth to follow.

Accuracy is now expressly codified. Under sub-regulation (3) the resolution professional must certify that both the Form and every attachment are true, complete and not misleading. A casual “file-now-correct-later” approach is no longer viable because sub-regulation (4) imposes an automatic late-fee of ₹500 per Form for each calendar month of delay, whether the belated submission is a first-time filing, a correction or simply an update. The levy is rigid: one Form, one month late, five hundred rupees; two Forms, three months late, three thousand rupees.

Mistakes or procrastination can hurt beyond the wallet. Sub-regulation (5) arms the Board with an administrative hammer: for failure to file, for filing inaccurate or incomplete information, or for undue delay, the regulator may refuse to issue or renew the professional's “Authorisation for Assignment” a power that can instantly stall an insolvency practice. The sword is not merely financial; it is existential.

Taken together, the amendment converts what was once a soft best-practice into a hard compliance gate. By making the electronic platform the single lodestar and attaching both a recurring fee and disciplinary risk to every slip, the Board hopes to compress timelines, improve data integrity and, ultimately, deliver faster outcomes to creditors and guarantors alike.

For resolution professionals, the message is unmistakable: file on time, file in full, file correctly or pay for every extra page of the calendar. The 2025 tweak may be only a few lines long, but it redraws the incentive map for personal-guarantor insolvency and places digital punctuality at the heart of professional conduct.

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