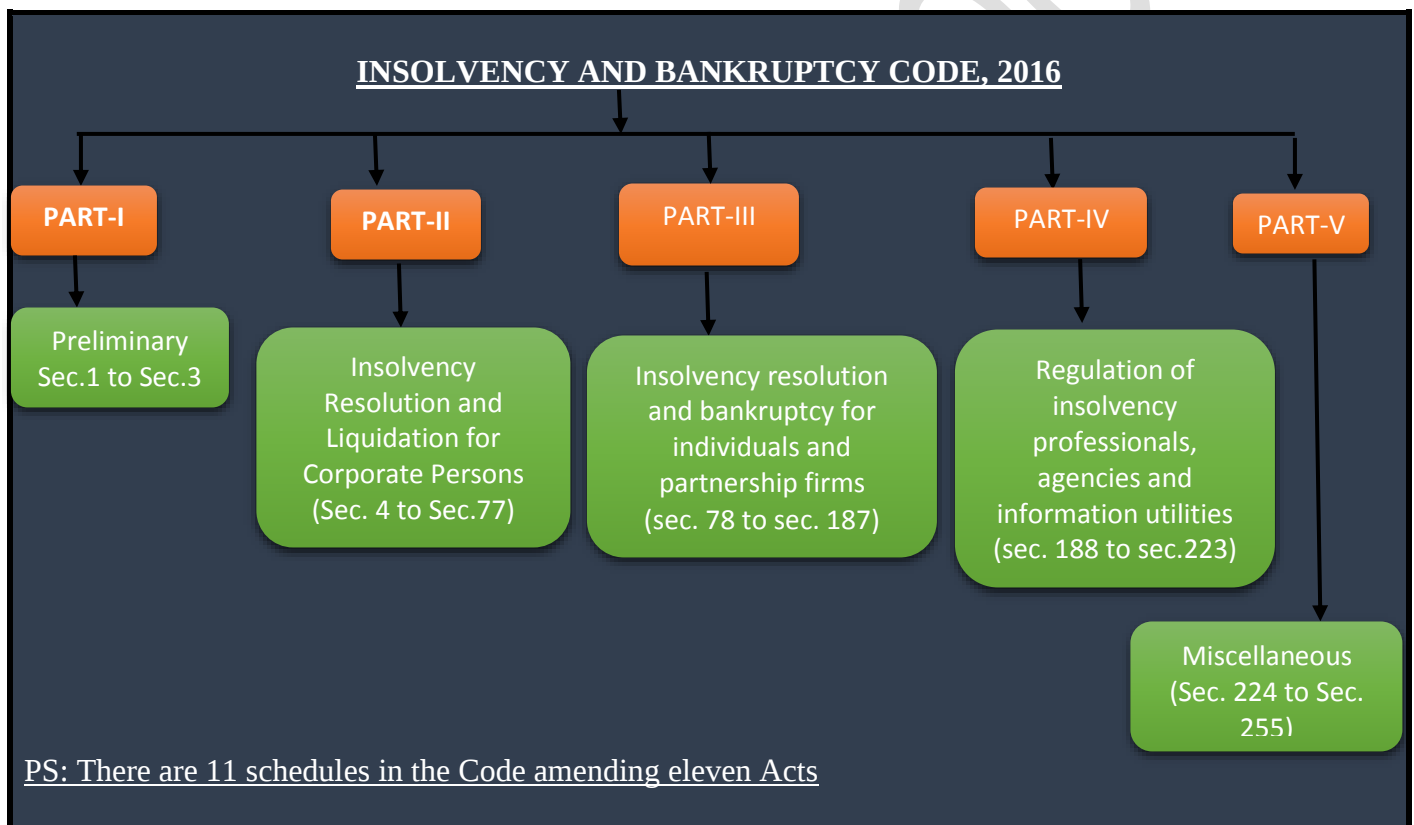


THE INSOLVENCY AND BANKRUPTCY CODE, 2016

NO.31 OF 2016

The IBC, 2016 is an Act to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximization of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interest of all the stakeholders including alteration in the order of priority of payment of Government dues and to establish an Insolvency and Bankruptcy Board of India, and for matters connected therewith or incidental thereto.

There are total 255 sections in the IBC, 2016. The diagrammatic view of IBC, 2016 is as below:



The section wise overview of IBC, 2016 is as under:

PART-I: PRELIMINARY (SEC.1 TO SEC.3)

PART-II: INSOLVENCY RESOLUTION AND LIQUIDATION FOR CORPORATE PERSONS (SEC.4 TO SEC. 77)

Chapter-I: Preliminary (Sec.4 to Sec.5)

Chapter-II: Corporate Insolvency Resolution Process (Sec.6 to Sec.32)

Chapter-III: Liquidation Process (Sec. 33 to Sec.54)

Chapter-IV: Fast Track Corporate Insolvency Resolution Process (Sec. 55 to Sec.58)

Chapter-V: Voluntary liquidation of Corporate Persons (Sec.59)

Chapter-VI: Adjudicating Authority for Corporate Persons (Sec. 60 to Sec.67)

Chapter-VII: Offences and Penalties (Sec.68 to Sec.77)

PART-III: INSOLVENCY RESOLUTION AND BANKRUPTCY FOR INDIVIDUALS AND PARTNERSHIP FIRMS (SEC. 78 TO SEC. 187)

Chapter-I: Preliminary (Sec. 78 to Sec.79)

Chapter-II: Fresh Start Process (Sec. 80 to Sec. 93)

Chapter-III: Insolvency Resolution Process (Sec. 94 to 120)

Chapter-IV: Bankruptcy Order for Individual and partnership firms (Sec. 121 to Sec.148)

Chapter-V: Administration and Distribution of the Estate of the Bankrupt (Sec. 149 to Sec. 178)

Chapter-VI: Adjudicating Authority for Individuals and Partnership Firms (Sec. 179 to Sec.187)

PART-IV: REGULATION OF INSOLVENCY PROFESSIONALS, AGENCIES AND INFORMATION UTILITIES (SEC. 188 TO SEC.223)

Chapter-I: Insolvency and Bankruptcy Board of India (Sec.188 to Sec.195)

Chapter-II: Power and Functions of Board (Sec. 196 to Sec.198)

Chapter-III: Insolvency Professional Agencies (Sec. 199 to Sec.205)

Chapter-IV: Insolvency Professionals (Sec. 206 to Sec.208)

Chapter-V: Information Utilities (Sec. 209 to Sec. 216)

Chapter-VI: Inspection and Investigation (Sec. 217 to Sec.220)

Chapter-VII: Finance, Accounts and Audit (Sec.221 to Sec.223)

PART-V: MISCELLANEOUS (SEC. 224 TO SEC. 255)

SCHEDULES:

There are 11 schedules in IBC Code amending below cited eleven Acts:

First Schedule: Amendment to the Indian Partnership Act, 1932

Second Schedule: Amendment to the Central Excise Act, 1944

Third Schedule: Amendment to the Income Tax Act, 1961

Fourth Schedule: Amendment to the Customs Act, 1962

Fifth Schedule: Amendment to the Recovery of debts due to Banks and Financial Institutional Act, 1993

Sixth Schedule: Amendment to the Finance Act, 1994

Seventh Schedule: Amendment to SARFAESI Act, 2002

Eight Schedule: Amendment to Sick Industrial Companies (Special Provisions) Repeal Act, 2003

Ninth Schedule: Amendment to the Payment and Settlement systems Act, 2007

Tenth Schedule: Amendment to LLP Act, 2008

Eleventh Schedule: Amendment to Companies Act, 2013

Conclusion:

The IBC, 2016 comprises total 255 sections classified into five parts and eleven schedules. Part- I of the Code provides preliminary providing short title, scope and commencement of the Code, applicability and definitions. Part-II of the Code provides insolvency and liquidation procedure for Corporate Persons. However, Part-III of the Code provides insolvency and liquidation procedure for individual and partnership firms. Part-IV provides provisions for Insolvency Professionals, agencies and Information Utilities and Part V are miscellaneous provisions. Furthermore, schedules of the code provides amendments in eleven Acts pertaining to the insolvency procedures.

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