

Editorial

Every year, as the financial calendar draws to a close, board evaluation season begins. Questionnaires are circulated. Responses are compiled. A summary report is tabled. A brief discussion takes place. Minutes are recorded. The file is archived. What should be a moment of reflection often turns into a well-rehearsed administrative routine. Boards complete the exercise yet rarely interrogate whether real improvement has followed. Recommendations fade into minutes rather than action plans and accountability dissolves into collective comfort. Unless evaluation is treated as a continuous governance discipline rather than an annual obligation, it risks reinforcing complacency instead of strengthening oversight.

Please share your feedback on this newsletter with us at contact@cimplyfive.com, we eagerly look forward to it.

Happy Reading,
Team CimplyFive
March 05, 2026

What's more in this month's issue…

- ***What is Hot in Company Law?***
- ***Article of the Month***
- ***BLISS Tips for the Month***
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OPINION:

What is Hot in Company Law?

Our free to use website www.ca2013.com has the unique distinction of providing an integrated view of the Companies Act, 2013 ("Companies Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("SEBI (LODR)") and Insolvency and Bankruptcy Code, 2016 ("IB code"). Our website has crossed **61 million page-views** as on date and attracts about 15,000 users accessing around 45,000 pages a day. List of the most viewed sections in the Companies Act, SEBI (LODR) and IB Code in the month of February 2026 here is based on visitors to our website is as follows:

For the Month of February, 2026
Companies Act, 2013 Top 5 Chartbusters

Rank in Jan	Change in Rank	Rank in Feb	Section	Section Title
2	↑	1	62	Further Issue of capital
3	↑	2	179	Powers of Board
1	↓	3	188	Related Party Transactions
4	↔	4	186	Loans and Investments
5	↔	5	149	Company to have Board of Directors

There have been no new changes in the rankings for the month of February 2026.

SEBI (LODR) Top 5 Chartbuster Regulations

Rank in Jan	Change in Rank	Rank in Feb	Regulation	Regulation title
1	↔	1	30	Disclosure of Events or Information
2	↔	2	23	Related party transactions
3	↔	3	17	Board of Directors
N	↑	4	46	Website
N	↑	5	51	Disclosure of information having bearing on performance/operation of listed entity and/or price sensitive information

Regulations 29 and 6 has been replaced with Regulation 46 and 51 for the month of February 2026 respectively.

IB Code Top 5 Chartbusters

Rank in Jan	Change in Rank	Rank in Feb	Section	Section Title
1	↔	1	5	Part 2-Chapter 1 Definitions
N	↑	2	6	Persons who may initiate corporate insolvency resolution process.
3	↔	3	3	Part 1 Definitions
2	↓	4	7	Initiation of corporate insolvency resolution process by financial creditor.
5	↑	5	53 and 33	Distribution of assets; Avoidance of undervalued transactions.

Regulation 29 has been replaced with Regulation 6 for the month of February 2026.

Article: Board Evaluation & Compliance: Where Companies Slip

Introduction

Across years of working with company secretaries and compliance heads, we have seen what board evaluation season actually looks like from the inside. A questionnaire goes out in March. A summary report gets compiled in April. There is a brief discussion at the next board meeting and then nothing. The file is archived, the year moves on and by the time the next cycle begins, nobody quite remembers what last year's findings were.

This is not a problem unique to small companies or family-owned businesses. It plays out in listed entities, in regulated industries, in organisations with perfectly drafted governance policies sitting in their board portals. The gap between what board evaluation is supposed to do and what it actually does is one of the most consistently underestimated risks in corporate governance today.

Where exactly do companies slip? Usually, it tends to happen in the same places, repeatedly.

The Comfort of a Process That Asks Nothing Hard

Most listed companies today have a board evaluation process on paper - frameworks, questionnaires, sometimes a third-party facilitator who joins for a day. On the surface, it looks like governance maturity. Spend a little more time with it and the mechanics often turn out to be hollow.

The standard format is still the self-assessment questionnaire - a form sent to directors who are, in effect, asked to grade themselves and their colleagues. The problem here is that candour is structurally expensive inside a boardroom. These are people who sit together every quarter, who depend on each other's goodwill to advance positions on strategy, remuneration, and appointments. Scoring a colleague poorly in an annual review is not a cost-free act.

So, the scores cluster toward the middle. Feedback stays vague. Recommendations are worded carefully enough that no one feels directly challenged. Year after year, the same "areas for improvement" appear in the report and year after year, they remain unimproved. The process gets completed. Nothing changes.

Seven Places Where It Goes Wrong

1. Treating the Checkbox as the Finish Line

SEBI's LODR regulations, the UK Corporate Governance Code, and SEC disclosure requirements – all these frameworks mandate board evaluations. So, companies conduct them. What they do not always grasp is that complying with the mandate to evaluate is not the same thing as evaluating well. A company can be fully compliant and entirely ungoverned.

The regulator can verify that an evaluation took place. It cannot verify that it was wholesome. Boards that treat the regulatory requirement as the goal have misunderstood what evaluation is actually for. It is not a filing. It is a mirror. And a mirror only helps if you are willing to look into it.

2. The Independence Problem Nobody Wants to Name

When the Company Secretary or a senior HR leader facilitates the board evaluation, there is a built-in problem that does not go away just because the person involved is competent and well-intentioned. They work within the organisation. Their career sits inside its hierarchy. Producing a report that makes the Chairman uncomfortable is not something that serves them professionally.

External facilitators help, but they are not automatically independent either. Consulting firms that carry significant advisory relationships with the company face their own version of the same conflict. Real independence means having no commercial stake in the board's satisfaction with the outcome - a higher bar than most evaluation processes actually clear.

3. Counting Meetings Instead of Measuring Impact

A director attended all meetings this year. They sat on three committees. They reviewed 47 agenda items. By activity-based metrics, they had an excellent year. But did they say anything that mattered? Did their questions shift a decision? Did their oversight catch something heading the wrong way?

4. The Collective Shield

Evaluating the board as a whole is far more comfortable than evaluating individual directors. So that is mostly what happens. The problem is that collective assessment without individual accountability is, practically speaking, no accountability at all. If the entire board is responsible, then nobody in particular is.

Individual performance conversations do happen at some boards - typically a brief chat with the Chairman or Nomination Committee Chair. But these tend to stay comfortable. Directors who have genuinely outlived their usefulness through disengagement, outdated expertise, or declining capacity tend to receive passing marks year after year, right up until something goes badly wrong and the gaps become impossible to overlook. By that point, the cost of not having had the honest conversation much earlier is already paid.

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5. Findings That Go Nowhere

In our view, this one is the most damaging failure of all. The evaluation is conducted, findings are documented, there is a brief board-level discussion - and then the report is filed. The following year, the process begins again. Nobody asks what happened to last year's recommendations. Nobody checks whether the issues identified twelve months ago were actually addressed.

Without a feedback loop, evaluation is just document production. You get the paper; you do not get the governance. Boards that skip the step of tracking action items, assigning ownership and verifying completion are performing accountability theatre - going through the motions in a way that creates the appearance of oversight without any of its substance.

6. Forgetting That Committees Do Most of the Work

A great deal of what boards actually do happens in committees - Audit, Nomination, Remuneration, Risk. Board-level evaluations often assess overall dynamics without going anywhere near the question of whether individual committees are doing their jobs.

A board can score well in aggregate while its Audit Committee rubber-stamps management's assumptions, or its Nomination Committee quietly perpetuates a closed network of director appointments. Committee-level evaluation requires its own targeted inquiry - not just confirmation that meetings happened and minutes were taken, but a genuine examination of whether each committee is actually fulfilling its mandate. Miss this layer, and some of the most consequential governance gaps remain completely invisible.

7. Annual Report Disclosure That Says Nothing

Open almost any listed company's annual report and find the board evaluation disclosure. You will likely read something like: "The Board conducted its annual evaluation during the year and is satisfied with its composition, functioning, and effectiveness." That tells a shareholder precisely nothing.

Disclosure of this kind exists to satisfy a requirement, not to inform. Meaningful disclosure would describe what the evaluation actually found - including the weaknesses - and what the board did about them. That level of transparency is rare, because it requires publicly acknowledging imperfection. Corporate culture has spent decades training boards to avoid exactly that.

What Getting It Right Actually Looks Like

The Boards that do this well tend to share one characteristic above all others: they treat evaluation as a strategic tool, not a compliance requirement. That sounds obvious. It is, apparently, not obvious enough.

In practice, leading Boards do a few specific things differently:

- They conduct external evaluations and use those cycles to get genuine outside perspective, not just to tick a box.
- They use Board Evaluation tools where anonymity is maintained.
- They run competency matrix reviews that ask honestly whether the board's collective skills still match where the business is actually going - not where it was three years ago.
- They replace questionnaire-only formats with structured one-on-one interviews - confidential conversations that allow directors to be candid in a way that a form never quite permits.
- They produce formal action plans with named owners and timelines, then actually review them at a subsequent board meeting.
- Their annual report disclosure says something real - what was found, what was done, and where they are still working on it.

Most importantly, these Boards have Chairpersons who understand that the process starts with their own willingness to be evaluated honestly. A Chair who models that openness makes it possible for everyone else at the table to do the same. Without that, no framework or facilitator will save the evaluation from becoming another comfortable exercise in self-affirmation.

Process Infrastructure Matters More Than People Think

Something that rarely gets discussed in governance commentary: many of the failures we have described above are not failures of intent. They are failures of system. Companies still run board evaluations through email chains, manually compiled spreadsheets, and questionnaire PDFs that get reformatted every year from scratch. When the process infrastructure is this fragile, it is almost impossible to build governance rigour on top of it.

Secretarial and compliance automation platforms have started to make a genuine difference here. When evaluation workflows run through a structured digital system, several of the failure modes described above become much harder to sustain. Action items get tracked automatically against timelines - there is no longer a convenient way to forget them. Questionnaire responses can be consolidated and anonymised without manual handling, which removes some of the social awkwardness that distorts self-assessments. Escalation prompts mean the evaluation cycle does not

simply fade away after the first board meeting where findings are briefly presented.

Perhaps most practically: a structured system creates a clear audit trail. When regulators or shareholders ask what was done with last year's findings, the answer is not a reconstructed email thread - it is a documented record of inputs, findings, discussion, decisions, and completion status. In an environment where the quality of governance disclosure is under increasing scrutiny, that kind of traceability is worth more than most boards currently appreciate.

To be clear: technology does not replace the judgment, candour, and leadership culture that make evaluation worthwhile. It removes the friction - the administrative drag, the version confusion, the gaps between cycles - that allows even well-intentioned processes to quietly collapse. Think of it less as software and more as institutional memory: a system that keeps the board honest by making it harder to lose track of what was said and what was promised.

What Regulators and Investors Can Do

Regulators have room to push further than they currently do. Mandating that evaluations occur is a start - requiring substantive disclosure of what those evaluations actually found would be a significant step forward. Market pressure changes behaviour faster than most regulatory interventions and investors who begin treating boilerplate evaluation disclosure as a governance red flag will move companies far more quickly than another amendment to the listing regulations.

Proxy advisors, whose recommendations shape institutional voting patterns, could develop more nuanced views on evaluation quality rather than simply checking whether a process exists. The infrastructure for accountability is largely already in place. What is missing, in most cases, is the collective willingness to actually use it.

Closing Thought

Board evaluation, done well, is one of the most powerful tools a company has for improving governance. Done poorly, it provides false reassurance while quietly entrenching everything that needs to change. The gap between those two outcomes is not mainly a technical problem. It is a cultural one.

Companies don't slip because of individual shortcomings, but because the systems and cultures in place are designed for comfort rather than accountability. Fixing that requires boards, investors and regulators to accept a different kind of discomfort - the productive, necessary discomfort of honest inquiry.

Governance does not get better by accident. It gets better when the people responsible for it stop accepting the appearance of accountability as a substitute for the real thing.

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BLISS Tips for the Month

BLISS Tips #337: BLISS helps to structure Minutes with Grouping Functionality

Bliss allows users to group multiple agenda items under a single heading in the Minutes, just as they appear in the Agenda. This feature reduces manual drafting, keeps the Minutes structured and consistent, and ensures nothing is missed. Users can easily copy groups from the Agenda, modify them, or create new ones, making minute preparation faster, cleaner, and audit-ready.

BLISS Tips #338: Simplify Statutory Register Management with BLISS

The Registers feature in BLISS centralizes all statutory registers required under the Companies Act, 2013 in one place, allowing you to create entries, bulk upload via Excel, finalize records, and download reports in Excel or PDF anytime. This ensures accurate, structured, and audit-ready documentation while saving time, reducing manual errors, and helping your team stay fully compliant without last-minute hassle.

Test your Gray Matter!! Take our Quiz to find out!

1. Under the Companies Act, 2013, which of the following requires approval by a Special Resolution?

A. Appointment of first auditor
B. Removal of auditor before expiry of term
C. Declaration of interim dividend
D. Appointment of additional director

2. Under Regulation 17 of the SEBI (LODR) Regulations, the minimum number of Independent Directors required on the Board of a listed company (where the Chairperson is executive) is:

A. One-third of the Board
B. Half of the Board
C. Two-thirds of the Board
D. At least one Independent Director

3. Under the Insolvency and Bankruptcy Code, 2016, what is the initial time limit for completion of the Corporate Insolvency Resolution Process (CIRP)?

A. 90 days
B. 180 days
C. 270 days
D. 365 days

4. Under Section 177 of the Companies Act, 2013, the Audit Committee must consist of:

A. Only executive directors
B. Majority independent directors
C. At least one nominee director
D. Only non-executive directors

5. Under Regulation 33 of the SEBI (LODR) Regulations, annual audited financial results must be submitted within:

A. 30 days from end of financial year
B. 45 days from end of financial year
C. 60 days from end of financial year
D. 90 days from end of financial year

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Board Leaders Integrated Software Solution

BLISSPLUS

BLISSPLUS is a Cloud hosted software that automates the routines, provides an e-repository, timely alerts, and a real-time dashboard, all aimed at ensuring compliance and good corporate governance. By doing so, it provides complete peace of mind to the Board of Directors and assurance to professionals by providing them with real-time compliance status with respect to the Companies Act, 2013. It also has multiple premium features like Directors view, facility to store past Secretarial records, automated compliance tracker for size- based compliance under the Companies Act, 2013.

BLISSLISTED

BLISSLISTED is an advanced variant of BLISSPLUS for Listed Companies with Companies Act,2013 and SEBI's LODR 2015 compliances integrated to provide a single point compliance automation, risk manager & e-repository for secretarial records including past secretarial records.

BLISSDOCS

BLISSDOCS is an Android/IOS based Board app for Directors which provides secure access to Board documents on Tablets/mobile phones, enhancing Directors productivity and making the Board meetings efficient & effective

CIMPLYBEST

CimplyBest is a tailormade software for Indian Corporates in conducting Corporate Board Evaluation which will optimize Board's Time & Effort with confidentiality assured.

Clear Compass

Clear Compass is an All-law Compliance Software to ascertain, track and manage all the applicable state, central and industry-specific laws.

CAIRR LODR Integrated

CAIRR is a free to use website from CimplyFive that provides at your fingertips, an integrated view of the Companies Act, 2013, IB Code, 2016 and LODR, 2015. The site and app are updated every business day by 11 AM for changes in the Act & Regulations. For more details, please visit www.ca2013.com

Compliance Calendar for the month of March 2026

Compliances under Companies Act 2013		
CSR Spending Review and Transfer of Unspent CSR Amount (Other than ongoing project)	Sec 135(5)	31st March 2026
Directors holding DIN as on 31 March 2026 should ensure readiness for filing DIR-3 KYC by 30 September 2026 as required under the Companies Act, 2013	Rule 12A Companies (Appointment and Qualification of Directors) Rules,2014	31st March 2026

Gist of regulatory changes in Companies Act, 2013, SEBI (LODR) 2015, SEBI (PIT) Regulations, 2015 and Insolvency & Bankruptcy Code, 2016 in the month of January 2026.

- **03/02/2026**

Ease of Doing Investment – Special Window for Transfer and Dematerialisation of Physical Securities

Vide this circular, Securities and Exchange Board of India (SEBI) has introduced a special one-time window to facilitate transfer and dematerialisation of physical securities that were sold/purchased prior to April 01, 2019, with the objective of ensuring ease of investing and protection of investor rights.

The special window shall remain open from February 05, 2026 to February 04, 2027.

Key highlights of the Circular: -

1. This window shall be applicable for:

Fresh lodgement of transfer requests where transfer deeds were executed prior to April 01, 2019

Transfer requests earlier rejected / returned / not attended due to procedural or documentation deficiencies

2. Securities transferred under this window shall be credited only in dematerialised form.

3. Such securities shall be subject to a lock-in period of one year from the date of registration of transfer.

4. The transferee shall be required to submit original security certificates, duly executed transfer deed (prior to April 01, 2019), KYC documents, demat account details (CML), proof of purchase (as available) and an undertaking-cum-indemnity.

5. Transfer requests ineligible under this window:

Cases involving disputes between the transferor and transferee, which may be settled through court/NCLT process.

Securities transferred to the Investor Education and Protection Fund (IEPF).

6. Obligations on Listed Companies/RTAs/Depositories

Verification of identity, PAN, address and signatures of the transferor and transferee

In case of non-traceability of the transferor or non-availability of documents, transfer may be effected after issuance of a newspaper advertisement and completion of a 30-day waiting period

In case of death of the transferee as per the executed transfer deed, legal heir(s) may claim the securities in accordance with the prescribed transmission procedure.

While crediting securities to the demat account of the transferee, the listed company/RTA shall intimate the depository regarding the one-year lock-in.

If fraud is detected during the lock-in period, the lock-in shall continue until further instructions, and release of securities shall be only as per orders of a competent court.

7. Listed companies / RTAs shall process complete transfer requests within 70 days from the date of receipt of complete documentation.

Listed companies, RTAs and Stock Exchanges are required to periodically publicise the opening of this special window during its validity.

- **23/02/2026**

Update on single filing system through API-based integration between Stock Exchanges:

Vide the aforesaid circulars, the Stock Exchanges have extended the Single Filing System to cover the following additional disclosures, w.e.f February 21, 2026:

1. Issue Summary Document (ISD)- Buyback- Open and Tender Route
2. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions (Inter-Creditors Agreement) and One time settlement (OTS)
3. Corporate Debt Restructuring
4. Fraud/Default/Arrest

The single filing system is already available for the following disclosures:

1. Investor Grievance Report
2. Corporate Governance Report
3. Reconciliation of Share Capital Audit Report
4. Meetings of shareholders and voting results

5. Integrated filing (Governance)
6. Annual Secretarial Compliance Report
7. Integrated Filing (Financials)

- **26/02/2026**

IBBI has notified the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) (Amendment) Regulations, 2026 w.e.f. February 25, 2026.

Under this amendment, the following regulations has been substituted:

1. Revised Definition of "Fair Value":
The existing definition of 'fair value' has been substituted with the following:

"fair value" means the estimated realizable value of the corporate debtor or the assets of the corporate debtor, as the case may be, if they were to be exchanged on the insolvency commencement date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had acted knowledgeably, prudently, and without compulsion.

Explanation- The estimated realizable value of the corporate debtor shall be computed after taking into account the total estimated realizable value of all the assets of the corporate debtor including but not limited to tangible and intangible assets, along-with their underlying synergies.

2. Appointment of registered valuers:

Instead of appointing only two registered valuers, the amended regulation now requires the appointment of **two sets of registered valuers**.

Each set shall include one registered valuer for each asset class of the corporate debtor.

3. Fair value and liquidation value:

The process for determining fair value and liquidation value has been substituted with a detailed multi-step framework, as follows:

a) Within each set, one registered valuer shall be designated as the **Coordinating Valuer** by the Resolution Professional (RP), in consultation with the Committee of Creditors (CoC), for computation of the fair value of the corporate debtor.

b) The RP shall facilitate a meeting where the registered valuers (including coordinating valuers) explain the **valuation methodology** being adopted to the CoC members, before computation of estimates.

c) Each registered valuer shall, after **physical verification** of the inventory and fixed assets of the corporate debtor, submit a report on the fair value and liquidation value of the assets to the RP and the coordinating valuer of their respective set, computed in accordance with valuation standards notified by the Board through circular.

d) The coordinating valuer of each set shall compute the **fair value of the corporate debtor** after considering the fair value of assets computed by the registered valuers within that set (including their underlying synergies), and submit the same to the RP.

e) The **average of the two estimates of fair value** submitted by the two coordinating valuers shall be considered as the fair value of the corporate debtor.

f) The **average of the two estimates of liquidation value** submitted by registered valuers in each asset class shall be considered as the liquidation value of the corporate debtor.

4. Documentation Requirements:

The following new provision has been inserted:
For the purposes of this regulation, a registered valuer shall **prepare the valuation report and maintain such documentation** *as per the format notified by the Board through circular.*

IBBI has notified the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Amendment) Regulations, 2026.

Under this amendment, the following changes have been made:

1. Documentation Requirements:

The following new provision has been inserted:

For the purposes of this regulation, a registered valuer shall **prepare the valuation report and maintain such documentation** *as per the format notified by the Board through circular.*

IBBI has notified the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2026.

Under this amendment, the following changes have been made:

1. Valuation Standards for Asset Valuation:

The earlier reference to **"internationally accepted valuation standards"** has been replaced with **"such valuation standards as notified by the Board through circular."**

This shift gives IBBI the flexibility to prescribe and update valuation standards specific to the Indian insolvency framework, rather than relying on international benchmarks.

2. Documentation Requirements:

The following new provision has been inserted:

For the purposes of this regulation, a registered valuer shall **prepare the valuation report and maintain such documentation** *as per the format notified by the Board through circular.*

IBBI has notified the Insolvency and Bankruptcy Board of India (Liquidation Process) (Second Amendment) Regulations, 2026.

Under this amendment, the following changes have been made:

1. Valuation of Asset:

The earlier reference to **"Companies (Registered Valuers and Valuation) Rules, 2017"** has been replaced with **"such valuation standards as notified by the Board through circular."**

2. Documentation Requirements:

The following new provision has been inserted:

For the purposes of this regulation, a registered valuer shall **prepare the valuation report and maintain such documentation** as per the format notified by the Board through circular.

IBBI has notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2026.

Under this amendment, the following changes have been made:

1. Revised Definition of "Fair Value":

The existing definition of 'fair value' has been substituted with the following:

fair value means the estimated realizable value of the corporate debtor or the assets of the corporate debtor, as the case may be, if they were to be exchanged on the insolvency commencement date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had acted knowledgeably, prudently, and without compulsion.

Explanation– The estimated realizable value of the corporate debtor shall be computed after taking into account the total estimated realizable value of all the assets of the corporate debtor including but not limited to tangible and intangible assets, along with their underlying synergies."

2. Appointment of Registered Valuers:

The Resolution Professional (RP) shall, within **seven days of his appointment** but not later than the **forty-seventh day from the insolvency commencement date**, appoint **two sets of registered valuers** to determine the fair value and liquidation value.

Each set shall include one registered valuer for each asset class of the corporate debtor.

3. Fair Value and Liquidation Value:

The process for determining fair value and liquidation value has been substituted with a detailed multi-step framework, as follows:

a) Within each set, one registered valuer shall be designated as the **Coordinating Valuer** by the RP, in consultation with the Committee of Creditors (CoC), for computation of the fair value of the corporate debtor.

b) The RP shall facilitate a meeting where the registered valuers (including coordinating valuers) explain the **valuation methodology** being adopted to the CoC members, before computation of estimates.

c) Each registered valuer shall, after **physical verification** of the inventory and fixed assets of the corporate debtor, submit a report on the fair value and liquidation value of the assets to the RP and the coordinating valuer of their respective set, computed in

accordance with valuation standards notified by the Board through circular.

d) The coordinating valuer of each set shall compute the **fair value of the corporate debtor** after considering the fair value of assets computed by the registered valuers within that set (including their underlying synergies), and submit the same to the RP.

e) The RP **may appoint a third set of registered valuers** to submit an estimate of fair value and liquidation value, where:

I. The two estimates of fair value or liquidation value of the corporate debtor are **significantly different** (i.e., a difference of **25% or more**); or

II. The CoC proposes appointment of a third set for **reasons recorded in writing**.

f) The **average of the two closest estimates of fair value** submitted by the coordinating valuers shall be considered as the fair value of the corporate debtor.

g) The **average of the two closest estimates of liquidation value** submitted by registered valuers in each asset class shall be considered as the liquidation value of the corporate debtor.

4. Documentation Requirements:

The following new provision has been inserted:

A registered valuer shall **prepare the valuation report and maintain such documentation** as per the format notified by the Board through circular.

5. Additional Disclosures in Information Memorandum:

The information memorandum prepared by the RP shall now additionally include the following details:

a) Receivables: Details of receivables of the corporate debtor, including trade receivables, inter-corporate receivables, and receivables arising under any contract.

b) Joint Development Agreements: Details of joint development agreements and other similar collaboration or co-development arrangements, including rights, obligations, and interests of the corporate debtor thereunder.

c) Attached Assets: Details of assets under attachment by enforcement agencies, including particulars of the attached assets, the attaching authority, and the status of such proceedings.

d) Allottees Not Filing Claims: Details of all allottees (including their names, amounts due, and units allotted) whose claims are reflected in the corporate debtor's books of accounts or in the records of the Real Estate Regulatory Authority (RERA), but who have **not submitted their claims** to the RP.

6. Treatment of Allottees Not Filing Claims – New Provision:

A new provision has been inserted specifically for **real estate projects**. Where the information memorandum includes details of allottees who have not submitted their claims, the **resolution plan shall provide for the treatment of such allottees**.

This ensures that the interests of homebuyers and other allottees who have not filed formal claims are not overlooked in the resolution process.

Solution for Quiz
1. B
2. B
3. B
4. B
5. C

About CimplyFive

Mission

Provide a cost-effective, secure web-based, menu driven, subscription services that provides curated resolutions, timely alerts and informative dashboards to free the management bandwidth for pursuing business goals

Vision

Leverage research and technology to eliminate procedural non-compliance risk for entities regulated by the Indian Companies Act, 2013



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