

IBBI Overhauls Liquidation Reporting: New Tech-Driven LIQ-1 to LIQ-4 E-Forms Mandatory



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Insolvency and Bankruptcy Board of India (“IBBI” / “Board”) has introduced a revamped, technology-enabled reporting framework for liquidation proceedings, pursuant to Circular No. IBBI/LIQ/91/2026 dated 05 January 2026 and the contemporaneous amendments to the IBBI (Liquidation Process) Regulations, 2016 (notified on 02 January 2026).

Regulatory background and effective date

It may be noted that the framework traces its origin to IBBI’s initiative of 28 June 2024, which introduced structured forms to streamline monitoring of liquidation proceedings. Thereafter, the 2 January 2026 amendments have accorded statutory force to this reporting architecture, including through the introduction of Regulation 47B, which requires filing of the notified forms (along with enclosures) on IBBI’s electronic platform, within the timelines stipulated for each form. Consequently, insolvency professionals acting as liquidators are now required to file the liquidation forms, records and supporting enclosures exclusively through the IBBI portal, in accordance with the prescribed timelines.

Revised four-form reporting structure (LIQ-1 to LIQ-4)

Against this backdrop, IBBI has replaced the existing liquidation reporting forms with four revised, stage-specific online forms, namely, LIQ-1, LIQ-2, LIQ-3 and LIQ-4, covering the liquidation lifecycle from commencement to dissolution/closure. Importantly, the revised structure is intended to reduce duplication, rationalise information requirements, and leverage auto-population of data already available on the portal. In this regard, following may be noted:

- LIQ-1 (Commencement to public announcement): Captures key particulars of the corporate debtor and liquidation commencement details, including confirmation of the public announcement. It is to be filed on or before the 10th day of the month following the month in which the public announcement is made.
- LIQ-2 (Quarterly progress reporting): Serves as the principal quarterly progress reporting form, capturing, inter alia, valuation, realisations (including auctions/private sales), any stay impacting the process, PUFÉ applications, Stakeholders’ Consultation Committee meetings, and receipts and payments for the relevant quarter. It is to be filed on or before the 10th day of the month following submission of the progress report to the Adjudicating Authority.
- LIQ-3 (Up to dissolution/closure application): Covers the period

from the last progress report up to filing of the dissolution/closure application and requires disclosures on final realisations, distributions, unclaimed proceeds, unrealised/unassigned assets, and comprehensive receipts and payments for the liquidation period. It is to be filed on or before the 10th day of the month following submission of the dissolution/closure application to the Adjudicating Authority.

- LIQ-4 (Post-order reporting): Applies after the Adjudicating Authority passes an order for dissolution or closure of the liquidation process and must be filed within seven days of disposal of the application. It includes, among other things, details of the dissolution/closure order and any changes in distributions/receipts and payments vis-à-vis LIQ-3, along with the status and post-closure handling of PUFÉ applications.

Technology integration, availability, and responsibility for filing

From a technology standpoint, the revised forms are hosted on IBBI's electronic platform and are to be accessed using unique login credentials, with submissions authenticated through DSC or e-signing. Notably, all revised forms are available on the website, and the earlier forms stand discontinued. Further, to ensure clarity on responsibility, subsequent filings are to be made only through the revised forms by the Insolvency Professional ("IP") who is in office as liquidator as on the last date of the month preceding the month in which the relevant form falls due.

Transitional relief and modification utility

At the same time, IBBI has provided transitional facilitation. Notably:

- a. no penalty will be levied for delayed filing of forms (if any) during the initial quarter January–March 2026, to enable users to familiarise themselves with the revised framework and address technical issues.
- b. Additionally, a form-modification utility has been introduced, allowing corrections to already-filed forms through an OTP-based process.
- c. Significantly, where a form is filed before the due date and is modified before the same due date, no fee is payable, since the fee under Regulation 47B is computed only after the last due date for the relevant form.

Continuing compliance obligations of Insolvency Professionals

Notwithstanding these facilitative measures, IBBI has reiterated that IP remain fully accountable for compliance with the Insolvency and Bankruptcy Code, 2016 and the Liquidation Regulations. In particular, liability may arise both for (i) failure to file the prescribed forms with relevant information and records, and (ii) filing inaccurate or incomplete information and/or records in or along with a form.

Therefore, while the revised framework is expected to reduce compliance effort and improve the timeliness and structure of disclosures, IP must continue to exercise due diligence to ensure accuracy, completeness and punctuality of all electronic filings made on the IBBI platform.

Conclusion

Looking ahead, the revised framework is expected to significantly reduce the time and effort associated with liquidation reporting while preserving, and arguably enhancing, regulatory visibility over liquidation proceedings. By combining technology-enabled automation, a flexible regulatory architecture for updating forms and timelines, and clear accountability standards, the circular seeks to balance simplification of compliance with robust oversight in India's evolving insolvency ecosystem.