

**Indian Institute of Insolvency Professionals of ICAI
(Disciplinary Committee)**

DC. No. IIIPI/DC/42 & 120/2021-22

ORDER

This order disposes of the Show Cause Notices (SCNs) dated 1st December 2021 and 15th March 2022, issued to Mr. Vineet Aggarwal (respondent), Plot no.2, Sampurnanand Nagar, Sagra, Varanasi, Uttar Pradesh-221010. Respondent is a professional member of the Indian Institute of Insolvency Professionals of ICAI (IIIPI) and registered with IBBI with Registration No-IBBI/IPA-001/IP-P00475/2017-2018/10818. The SCNs were issued based on reference received from Grievance Redressal Committee (GRC) and Monitoring Committee (MC), respectively. Since respondent is non-responsive to both the SCNs issued to him, they have been clubbed for disposal, in terms of Clause 5(4) of the Disciplinary Policy of IIIPI.

2.0 Allegation covered under Show Cause Notice dated 01-12-2022

The DC considered the reference made by Grievance Redressal Committee and decided to issue Show Cause Notice (SCN). The SCN was issued for alleged contraventions:

2.1 Contraventions: Based on the order of Grievance Redressal Committee and the records furnished, the following observations were made by DC in the SCN dated 01-12-2021:

1. Respondent failed to provide information memorandum, for which homebuyers were asking since long time, so that plot buyers association could prepare a resolution plan and can resolve issues which were not resolved by CD. Further, no discussion relation to information memorandum was made before the 3rd CoC meeting.
2. Respondent wrongly claimed that CoC denied fee and appointment of forensic auditor, which he was mandated to appoint in accordance with manner specified by Board.
3. Respondent neither identified/classified transactions based on preferential, undervalued, fraudulent and extortionate nor took any effort to collect money or auction plots included in Information Memorandum.

3.0 Allegation covered under Show Cause Notice dated 15-03-2022

The DC considered the reference made by Monitoring Committee and reviewed the records to issue Show Cause Notice (SCN). The SCN was issued for alleged contraventions:

3.1 Contravention: Based on the reference received from Monitoring Committee, the DC observed that despite various extensions provided, the respondent failed to furnish information/records/documents, as sought by IA for inspection and did not co-operate with the IA to conduct his inspection.

4.0 Finding: An insolvency professional is bestowed with a myriad of duties. An insolvency professional is expected to exercise due diligence while performing his duties. His diligence should be reflected not only during the corporate insolvency resolution process but also while fulfilling any obligation as a professional member under the Code.

4.1 The DC noted that two separate SCNs dated 01-12-21 and 15-03-22, were issued to the respondent with respect to matters referred from GRC and Monitoring Committee

respectively. He was expressly instructed to submit his reply, if any, in his defence, along with supporting documents within twenty-one days from date of receipt of SCN by him.

4.2 It was noted that despite several reminders' respondent remain unresponsive. DC provided the opportunity of personal hearing to the respondent on two occasions i.e., on 06-05-2022 and 07-09-2022. However, even after providing adequate/extended opportunities to the respondent, he failed to submit response (written/oral) to the SCNs, issued against him.

5.0 Accordingly, in exercise of the powers conferred under Regulation 24(2)(b) and (2)(d) of the Insolvency and Bankruptcy Board of India (Model Byelaws and Governing Board of Insolvency Professional Agencies) Regulations, 2016 read with clause 8(2) and 15(2) of the Disciplinary Policy of IIPPI, DC hereby issues an *ex-parte* order, with the following directions:

I. A penalty of Rs. 50,000/- is imposed on the respondent, which is to be deposited by way of demand draft payable in favour of the Indian Institute of Insolvency Professionals of ICAI (IIPPI) within 30 days of the issue of this order. In terms of clause 24(5) of the Model Bye Laws, IIPPI shall in turn will credit the said penalty to the fund constituted under section 222 of the Code.

II. If respondent fails to comply with the directions, as issued to him at point I above, his membership will be suspended, till the deposition of such penalty.

6.0 This order shall come into force from the date of its issue.

7.0 A copy of this order shall be forwarded to the Insolvency and Bankruptcy Board of India.

Date: 22-10-2022

Place: Delhi

CERTIFIED TRUE COPY

Sd/-

Mr. Satish Marathe (Chairman)

Mr. Satpal Narang (Member)

CA. Aniket Talati (Member)

CA. Rahul Madan (Member)

Copy to:

1. Insolvency and Bankruptcy Board of India.

2. Indian Institute of Insolvency Professionals of ICAI- Members Record.