Indian Institute of Insolvency Professionals of ICAI

(Disciplinary DC)

DC No. - IIIPI/DC/222/2025-26

ORDER

In the matter of Mr. Ashwini Mehra (Respondent) under Clause 15(A) of the Disciplinary Policy of IIIPI read with Clause 24(2)(d) of IBBI (Byelaws of Indian Institute of Insolvency Professionals) Regulations, 2016.

1.0 This order disposes of the Show Cause Notice (SCN) dated 29-04-2025 issued to respondent Mr. Ashwini Mehra, C-1201, Salarpuria Magnaficia, Old Madras Road, Bengaluru, Karnataka. Respondent is a professional member of the Indian Institute of Insolvency Professionals of ICAI and an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (Board) with Registration No IBBI/IPA-001/IP-P00388/2017-2018/10706.

2.0 The Disciplinary DC of IIIPI (DC) issued SCN to respondent, based on the reference received from the Monitoring DC of IIIPI including the findings in the inspection report of Inspection Authority (IA), pertaining to assignment handled by him as Resolution Professional (RP) in the CIRP **(a) M/s Educomp Infrastructure School Management Limited** and **(b) M/s Punj Lloyd Limited**. The SCN alleged the contravention of the provisions of Section 5 (13), 14, 21(8), 28 (1) (j), 208 (2) (a) and (e) of the Insolvency and Bankruptcy Code, 2016, Regulation 33(4), 34, 34A, 36(1) & (4), and 39A of the Insolvency Resolution Process for Corporate Persons Regulation 2016, Regulation 7(2) (a), (h) and (i) of IBBI (Insolvency Professional) Regulation, 2016, read with clauses 3, 5, 10, 13, 14, 16, 19 and 27 of the Code of Conduct for Insolvency Professionals, specified under First Schedule of IBBI (Insolvency Professionals) Regulations, 2016, and Circular No. IP/001/2018 dated 3rd January 2018, Circular No. IP/005/2018 dated 16th January,2018 and Circular No. IBBI/IP/013/2018 dated 12th June 2018.

3.0 The DC referred to the SCN, written/oral submissions of respondent and other material available on record for disposal of the SCN in accordance with the Code and Regulations made thereunder. An opportunity for personal virtual hearing was provided to respondent on 21-07-2025, wherein respondent himself presented pleadings and submissions before the DC virtually.

A. Educomp Infrastructure School Management Limited

4.0. Contravention: -Based on the copy of email correspondence provided by respondent to IA in respect of sharing of IM, DC notes that the IM was shared with the CoC members by Mr. Chinmay Marulkar, senior associate, and Mr. Archit Grover, Associate, Vice President Duff & Phelps India Private Ltd. (appointed for back-office support) from their personal email address

and not from respondent from the process email address, despite having project specific email address. Thus, DC is of the prima facie opinion that respondent have inter-alia violated the provision of section 208(2)(a) and (e) of the Code, Regulation 2016, Regulation 36(1) & (4) of the Insolvency Resolution Process for Corporate Persons Regulation 2016, Regulation 7 (2) (a) and (h) of IBBI (Professional) Regulation, 2016 read with Clause 14 and 16 of the Code of Conduct Specified in the First Schedule of the Code and Circular No. IP/001/2018 dated 3rd January 2018.

4.1. Submissions by Mr. Ashwini Mehra - Respondent submitted that the IM was shared by the RP through the IP email Address (project specific and copied in all communication) however since the banks had signed and shared NDA at different points in time and had issues with email attachment restrictions (size, format etc.) , back office was assisting to share the information memorandum with banks only to facilitate and expedite the process. And, further stated that the process email ID was marked in all communications.

4.1.1. Respondent further submitted that the IM was shared electronically after receiving the NDAs from the financial creditors. The regulation requires the IM to be shared in electronic form, which was adhered to. It was further submitted that the IM was a heavy file(size), the support firm team shared the IM from the official mail id of the support firm functionary not to delay the process and in order to facilitate the process and at all times the IP email address was marked. The Code of Conduct has been complied with as there was no malafide intent of the RP.

4.1.2. Respondent further submitted that he had sent the IM to three FCs from the process-specific email ID and to the remaining five FCs the email was shared from the support team's email ID but the IP email address was marked in all communications. Respondent further submitted that it was an inadvertent procedural lapse in the CIR process. However, the oversight was neither with bad intent nor has it caused any prejudice or loss to any of the stakeholder of the CD.

4.2. Findings: Section *208 (2) of the Code provides:*

(2) Every insolvency professional shall abide by the following code of conduct:

(a) to take reasonable care and diligence while performing his duties.

……

(e) to perform his functions in such manner and subject to such conditions as may be specified.

Further Para (3) of IBBI Circular No IBBI Circular No. IP/001/2018 dated 03rd January 2018 states:

"Additionally, an insolvency professional may use a process (Example: CIRP, Liquidation, etc.) specific address and email in its communications, if he considers it necessary subject to the conditions that: (i) the process specific address and email are in addition to the details required in Para 2 above, and (ii) the insolvency professional continues to service the process specific address and email for at least six months from conclusion of his role in the process."

4.2.1. Under the Code, RP plays a central role in resolution process of the CD. He is appointed by the AA as an officer of the Court to conduct the resolution process and it is the duty of RP to conduct CIRP with integrity and accountability in the process and to take reasonable care and diligence while performing his/her duties. Therefore, it is imperative for an Insolvency Professional to discharge his duties with utmost care and diligence, in strict adherence to the Code, regulations, and circulars issued by the IBBI, so as to ensure the sanctity of the process and protection of stakeholders' interests.

4.2.2. The Disciplinary DC (DC) notes that the aforesaid circular was issued with the objective of ensuring proper identification of data, ease of record-keeping, and preservation of confidentiality. In terms of the said circular, the Resolution Professional was required to share the Information Memorandum through the process-specific email ID; however, the Respondent failed to do so, thereby violating the mandate of the circular.

4.2.3. In the present matter, it is observed that the Information Memorandum (IM) was shared from the email ID of the support team of the respondent rather than by the respondent from the designated process-specific email ID. The DC also notes the respondent's submission that the Information Memorandum (IM) was circulated to three out of eight Financial Creditors (FCs) through the process-specific email ID, and to the remaining five FCs through the support team's email ID, with the respondent being marked in all such communications. The DC further notes the submission that this was done only to facilitate and expedite the process, and it was an inadvertent procedural lapse in the CIR process.

4.2.4. In view of the foregoing, the Disciplinary DC (DC) notes that the lapse on the part of the respondent was unintentional and without any malafide intent and it did not cause any harm to the process. Thus, the DC decides to take a lenient view and advises the respondent to exercise greater vigilance and care in the future to ensure strict compliance with the provisions of the Code and the regulations framed thereunder.

5.0. Contravention: The DC notes that though it was recorded in the minutes that the decision was unanimously approved by the CoC, however, voting sheets in respect of agenda items no 4 and 14 of the 4th CoC meeting and item no 4th and 8th of the 5th CoC meeting were not provided by respondent to IA. Thus, DC is of the prima facie view that respondent have inter-alia violated the provisions of Section 208(2) (a) & (e) of the Code, Regulation 25(3) (4) 39(A) of the Insolvency Resolution Process for Corporate Persons Regulation 2016, Regulation 7 (2) (a) & (h) of IBBI (Insolvency Professional) Regulation, 2016 read with Clause 16 and 19 of the Code of Conduct.

5.1. Submission of Ashwini Mehra: Respondent submitted that according to Regulation 25(4), ratification on all voting agenda items had been taken and are also recorded in the minutes of the respective meetings. Further, the respondent submitted that unlike e voting, specific agenda announcement and voting were happening simultaneously on the highlighted matters and the same is part of COC meeting video recordings.

5.1.1. Further, in respect of not providing voting sheets pertaining to four alleged items i.e. agenda items no 4 and 14 of the 4th CoC meeting and item no 4th and 8th of the 5th CoC meeting, respondent has submitted that :

COC meetings	**Agenda Item and Agenda Point**	**COC Ratification**
4th	Item No. 4: Appointment of SBI Caps	SBI Caps was appointed as a process advisor with 67.6% vote. The COC minutes has captured that 4 banks needed internal approvals to approve the appointment of SBI Caps. it is to be noted that the required 51% statutory requirement for passing the resolution was getting met, therefore, it was decided to put the agenda to vote, and the COC approved the appointment of SBI Caps with 67.6% votes in favour of SBI Caps.
4th	Item no. 14 Ankur Bhargava as AR	It is to be noted that according to Section 28(1)(h) of the Code, it is mandatory for the RP to take the prior approval of the COC before delegating its authority to any other person. The Code provides that the RP shall convene a meeting of COC and take the approval of the creditors prior to any action which "delegates its authority to any other person". On reading Section 28(1)(h) with the present facts, Mr. Ankur Bhargava's appointment as an AR was ratified in the 4th COC meeting unanimously and the same has been duly recorded in the minutes. The brief background on the need to appoint Ankur Bhargava was presented to the COC through the presentation as well.
5th	Item No. 4 Kroll Appointment as forensic auditor	The appointment of Kroll was unanimously approved by the COC after due process post inviting EOIs from reputed firms.
5th	Item No. 8 extension of CIRP	The COC unanimously ratified extension of CIRP after considering the challenges in concluding the process within the timelines.

5.1.2. Respondent further submitted that the above resolutions were passed during the CoC meeting and not after the meeting, which would require the preparation of a separate voting sheet.

5.1.3. The Respondent further submitted that on reading Reg. 25(3), the RP is required to take votes of the COC members and announce the decision. The minutes of the CoC meetings clearly recorded the decision whether unanimous or with the names of the CoC members who voted in favor.

5.1.4. The Respondent further submitted that the voting sheet as sought for the agenda items in 4th and 5th CoC meeting were not prepared as the resolutions were passed by the CoC during the meeting and not through e-voting system. Hence there was no requirement for a voting sheet. This was the practice followed in all CoC meetings which had senior representatives for the eight member banks as also senior counsel representing the Lenders and the RP as part of the quorum.

5.2. Findings: DC notes the submission of the respondent pertaining to Agenda item no 14 of the 4th CoC meeting and item no's 4 and 8 of the 5th CoC meeting that these items were unanimously approved by the COC and the same was recorded in the minutes. Further with respect to agenda item no 4 of the 4th CoC meeting, below are the extracts recorded in the minutes:

> *"Agenda Item no. 4 Ratify the appointment of Process Advisor appointed by Resolution Professional 5. In the last CoC meeting, three shortlisted firms made presentations seeking the role of Process Advisor.*
>
> *After deliberations, the members of the DC and the RP decided to invite KPMG and SBI Capital Markets for a further round of presentations.*
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> *Based on the presentations made, SBI Capital Markets was shortlisted to be appointed as the Process Advisor with the total fee capped at INR 95 lacs plus OPEs (out-of-pocket expenses). The fee includes monthly retainer fee of INR 10 lacs for four months and certain milestone fees.*
>
> *Some banks requested to cap the OPEs. This was discussed with the SBI Caps team and they agreed to cap their OPEs at 15% of their total fee with reimbursement based on actual OPEs. In case of any additional expenses towards OPEs exceeding above the cap of 15% of total fees, the Process Advisor will be required to obtain the prior approval of the CoC.*
>
> *The appointment was put for ratification, where Bank of India, Corporation Bank, PNB and Andhra Bank mentioned stated they still required internal approvals before providing this approval. With other creditors, viz. Axis Bank, State Bank of India, Karnataka Bank and Yes Bank upvoting on the matter, the requisite limit of 51% was reached.*
>
> *Resolution:*

"RESOLVED THAT, pursuant to the applicable provisions of the Insolvency and Bankruptcy Code, 2016 and in accordance with rules and regulation made thereafter, approval of the DC of Creditors is hereby accorded for the appointment of SBI Capital Markets Limited as the process advisors"

The resolution was adopted with a 67.6% vote in favor of the resolution."

5.2.1. Further contentions made by respondent that **(i)** on reading Reg. 25(3), the RP is required to take votes of the COC members and announce the decision. The minutes of the CoC meetings clearly record the decision whether unanimous or with the names of the CoC members who voted in favor. **(ii)** voting sheet as sought for the agenda items in 4th and 5th CoC meeting were not prepared as the resolutions were passed by the CoC during the meeting and not through e-voting system. Hence there was no requirement for a voting sheet.

5.2.2. The above contentions made by respondent are not acceptable, as the DC notes that Regulation 25 (3) and (4) of the IBBI (CIRP) Regulations, 2016 states, as under:

"…(3) The resolution professional shall take a vote of the members of the DC present in the meeting, on any item listed for voting after discussion on the same.

(4) At the conclusion of a vote at the meeting, the resolution professional shall announce the decision taken on items along with the names of the members of the DC who voted for or against the decision, or abstained from voting."

5.2.3. DC further notes clause 16 of the Code of Conduct specified under First Scheduled of IBBI (Insolvency Professionals) Regulations, 2016, which casts a duty on insolvency professional that he must ensure to maintain written contemporaneous records for any decision taken, the reasons for taking the decision, and the information and evidence in support of such decision

5.2.4. Apart from the foregoing provisions, DC has additionally noted Regulation 24 (7) of the IBBI (CIRP) Regulations, 2016, which provides that *"…the resolution professional shall ensure that minutes are made in relation to each meeting of the DC….."*

5.2.5. On a conjoint reading of the above provisions, it transpires that though the preparation of a separate voting sheet is not a mandate under these provisions, however, it is apparent that resolution professional shall ensure that minutes are made in relation to each meeting of the DC which captures a fair and accurate summary of proceedings. Minutes serve as evidence and official records of all the proceedings and decisions that occur during the CoC meetings, providing proof of decisions made. Whereas, in the instant matter it is noted that the minutes are not providing the actual/complete picture of the CoC proceedings that who voted for or against the decision, or abstained from voting. The purpose of the provision is to capture the decision of the DC, ensuring documentation and compliance. Minutes provide a written, contemporaneous record of the decisions made during the meeting and the reasons supporting those decisions.

5.2.5. DC notes the submission of the respondent that the said agenda was approved by the CoC with the requisite majority of 67.7% and has no adverse impact on the CIRP of the CD. However,

this does not absolve the respondent from the responsibility of ensuring proper compliance with the regulatory framework. The absence of contemporaneous voting records in the minutes raises concerns regarding adherence to due process and the requirement of maintaining verifiable records as contemplated under the Code and the CIRP Regulations.

5.2.4 Accordingly, the DC finds that the respondent failed to maintain proper records of voting as required under Regulation 25(3), 25(4), and 39A of the CIRP Regulations. Such lapses are inconsistent with the standards of due care and diligence expected under Section 208(2)(a) and (e) of the Code and are not in consonance with Regulation 7(2)(a) and 7(2)(h) of the Insolvency Professionals Regulations. Thus, Respondent's conduct in this regard is found to be inadequate and not in conformity with the prescribed regulatory requirements.

6.0. Contravention: The Disciplinary DC notes that, in terms of Section 28(1)(j) of the Insolvency and Bankruptcy Code, 2016 ("the Code"), any change in the management of the Corporate Debtor (CD) during the Corporate Insolvency Resolution Process (CIRP) mandates prior approval from the DC of Creditors (CoC). However, in the present case, it is observed that respondent appointed Ms. Parul Gupta as the Company Secretary of the Corporate Debtor without obtaining such prior approval from the CoC, inter alia, contravened the provisions of Section 28(1)(j), Section 208(2)(a) and 208(2)(e) of the Code; Regulation 7(2)(a) and 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016; read with Clause 14 of the Code of Conduct as specified in the First Schedule to the said Regulations**.**

6.1. Submission of Ashwini Mehra: Respondent submitted that Ms. Parul Gupta was not appointed as the Company Secretary of EISML. Instead, she was engaged to provide consultancy services to the Corporate Debtor (EISML) to support the secretarial functions necessitated by the resignation of the erstwhile Company Secretary. It was further submitted that Ms. Parul Gupta's engagement was strictly on a contractual basis, and she was not designated or notified as a Key Managerial Personnel (KMP) under applicable provisions of the Companies Act 2013.

6.1.1. Respondent further submitted by respondent during personal hearing that Ms. Parul was appointed as a consultant rather than as a full-time Company Secretary of EISML. Following the commencement of EISML's insolvency proceedings, the then Company Secretary resigned, and, given the complex issues surrounding this CD and the strained liquidity position, no suitable candidate was willing to accept a full-time CS position in a company.

6.1.2. Respondent further submitted that no DIR 12 was filed with MCA because Ms. Parul was appointed as a consultant rather than as a full-time Company Secretary of EISML. Following the commencement of EISML's insolvency proceedings, the then Company Secretary resigned, and, given the complex issues surrounding this CD and the strained liquidity position, no suitable candidate was willing to accept a full-time CS position in a company.

6.2. **Findings:** As per the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 and Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel)

Rules, 2014, Key Managerial Personnel (KMP) are required to be in whole-time employment with the company. Further, Section 170(2) of the Companies Act, 2013, mandates companies to file the prescribed form with the Registrar of Companies (ROC) within the prescribed timelines after making their appointment.

6.2.1. In the present matter, the DC notes the submission of respondent on the matter including the appointment letter issued to Ms. Parul Gupta which indicates that her engagement was purely contractual in nature, for providing consultancy services to the Corporate Debtor, and not as a whole-time employee. Further, DC notes submission of the respondent that no statutory form was filed by him with the RoC in respect of her engagement.

6.2.2. Based on the facts and submissions, the DC observes that there has been no change in the management of the Corporate Debtor, and therefore, prior approval of the DC of Creditors (CoC) was not required. Consequently, there is no violation of Section 28(1)(j) of the Code, as Ms. Parul Gupta was never formally appointed as a Key Managerial Personnel (KMP) within the meaning of Section 2(51) of the Companies Act, 2013. Accordingly, in light of the above, the DC cannot hold the respondent guilty of the contravention, as alleged.

7.0. Contravention: Para (3) of IBBI Circular No. IP/005/2018 dated 16th January,2018, requires that an insolvency professional shall disclose his relationship, if any, with (i) the Corporate Debtor, (ii) other Professional(s) engaged by him, (iii) Financial Creditor(s), (iv) Interim Finance Provider(s), and (v) Prospective Resolution Applicant(s) to the Insolvency Professional Agency of which he is a member, within three days from the event. However, the following delays and discrepancies is noted:

(a) Disclosure in respect of appointment of Ernst & Young Merchant Banking Services Pvt. Ltd. require to be filed latest by 25-06-2018 however the same was filed on 30-03-2019, delay of 278 days.

(b) Disclosure in respect of appointment of kroll Associates (India) Pvt Ltd. require to be filed by 14-01-2019 however the same was filed on 30-03-2019, delay of 278 days.

(c) Disclosure in respect of appointment of CBRE Pvt Ltd. require to be filed by 14-01-2019 however the same was filed on 30-03-2019, delay of 279 days.

(d) Disclosure in respect of appointment of kroll Associates (India) Pvt Ltd. require to be filed latest by 10-08-2018 however the same was filed on 30-03-2019, delay of 229 days.

(e) Disclosure in respect of appointment of SBI capital Markets Ltd. require to be filed latest by 06-09-2018 however the same was filed on 30-03-2019, delay of 205 days.

(f) Disclosure in respect of appointment of Advocate Mr. Sumant Batra require to be filed latest by 10-01-2018 however the same was not filed.

(g) Disclosure in respect of appointment of ASA Law Firm require to be filed latest by 01-03-2019 however the same was not filed.

(h) Disclosure in respect of appointment of Protocol insurance Surveyors require to be filed latest by 01-12-2018 however the same was not filed.

(i) Disclosure in respect of appointment of Deloitte Touche Tohmatsu India Ltd. require to be filed latest by 01-03-2019 however the same was not filed.

(j) Disclosure in respect of appointment of Parul Gupta and Mr. Subhash Poddar require to be filed latest by 12-08-2019 however the same was not filed.

Thus, DC is of the prima facie view that you have *inter-alia* violated the provisions of Section 208(2)(a) & (e) of the Code, Regulation 7(2) (a) & (i) of IBBI (Insolvency Professional) Regulation, 2016, Clause 13and 14 of the Code of Conduct as specified in the First Schedule of IP Regulations (Code of Conduct) and Circular No. IP/005/2018 dated 16th January 2018.

7.1. Submission of Ashwini Mehra: Respondent submitted that it was an inadvertent procedural lapse in CIR process. However, the delay and non-submission of the disclosure were neither intentional nor has caused any prejudice or loss to any of the stakeholders of the CD. Respondent also provided a detailed clarification of the nature of the relationships with the entities which is tabulated below:

Name	Reasons
Adv Sumant Batra	The Adv was engaged one-time for his opinion on options to maximise value, a large chunk of which was lying in non-corporate group entities. Consequently, this was an inadvertent error crept in.
ASA Law Firm	ASA Law Firm was engaged for the sole purpose of TSRs of the 62 properties and not for ongoing support during CIRP. As such, this was an inadvertent error happened which is deeply regretted.
Deloitte Touche Tohmatsu India LLP	They were engaged for the ltd. purpose of Sec 29A verification. Again, this inadvertent error occurred.,
Protocol Insurance Surveyors	Engaged only for the purpose of physical verification of all the properties of the CD. Again, this was an inadvertent error and deeply regretted.
Ms. Parul Gupta	Ms. Parul was appointed as a consultant rather than as a full-time Company Secretary of EISML. Ms. Parul was engaged specifically to support the operational functions of the corporate debtor, and not in the capacity of a professional appointed by the RP for support functions to carry out the CIR process.
Mr. Subhash Poddar	Subhash Poddar joined as Accounts Executive in the capacity of an employee of the corporate debtor and not a professional to carry out the CIR process. For most of the period, barring when Ms. Parul Gupta was available to support the operations, the entire day-to-day accounting and banking functions were looked after by Mr. Poddar.

7.2. **Findings:** Para (9) of the Circular No. IP/005/2018 dated 16th January 2018 issued by IBBI requires that *"The Insolvency Professional shall ensure timely and correct disclosures by him and the other Professionals appointed by him. Any wrong disclosure and delayed disclosure shall attract action against the Insolvency Professional and the other Professional as per the provisions of the law."*

Further, as per Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016, read with clauses 13 and 14 of the Code of Conduct for Insolvency Professionals (First Schedule), an Insolvency Professional is duty-bound to make timely disclosures of any relationship or conflict of interest with respect to the Corporate Debtor, its stakeholders, or professionals engaged during the process.

7.2.1. The DC notes that no disclosures were filed in respect of four professionals/ professional entities as illustrated *supra* at point 7.0 (f), (g), (h) and (i). The respondent in his submission has admitted that these lapses were inadvertent and did not cause prejudice to the stakeholders. The DC further notes that, in respect of disclosures of professionals/ professional entities mentioned *supra* at point 7.0 (a) to (e), there was a considerable delay on the part of the respondent in making the requisite filings. With respect to the disclosures relating to two individuals referred to *supra* at point 7.0 (j), the DC accepts the respondent's explanation that the said individuals were appointed as consultants/employees and not in the capacity of professionals engaged by the RP.

7.2.2. However, the DC is of the considered view that the obligation to make timely disclosures is a statutory duty of the Insolvency Professional and cannot be diluted on the grounds of inadvertence. Failure in this regard reflects lack of due care and diligence in discharge of responsibilities. Such disclosures are integral to ensure transparency, preventing conflict of interest, and maintaining accountability in the CIRP.

7.2.3. Accordingly, the DC finds that the respondent has contravened the provisions of Section 208(2)(a) & (e) of the Code, read with the Code of Conduct under Regulation 7(2)(h) and 7(2)(i) of the IBBI (Insolvency Professionals) Regulations, 2016, by failing to file the required disclosure and also contravening the timelines mentioned under the code for filing disclosures regarding appointments of professionals during the CIRP. The DC, therefore, holds that the respondent has failed to discharge duties with due diligence as mandated under the Code.

B. Punj Lloyd Limited

8.0. Contravention: Based on the copy of email correspondence circulating the IM provided by respondent to IA, DC notes that the IM was shared/circulated with some of CoC members by Mr. Archit Arya from its personal email address i.e. archit.arya@kroll.com despite having specific process email address. Thus, DC is of the prima facie view that respondent have *inter-alia* violated the provision of section 208(2)(a) and (e) of the Code, Regulation 2016, Regulation 36 (1) & (4) of the Insolvency Resolution Process for Corporate Persons Regulation 2016, Regulation 7 (2) (a) and (h) of IBBI (Professional) Regulation, 2016 read with Clause 14 and 16 of the Code of Conduct as specified in the First Schedule of IP Regulations (Code of Conduct) and Circular No. IP/001/2018 dated 3rd January 2018.

8.1. Submission of Ashwini Mehra: In response to the allegation, respondent submitted that the Information Memorandum (IM) was disseminated under his direct supervision, strictly in accordance with the provisions of the Code. All recipients of the IM had duly executed confidentiality undertakings as mandated under the Code. Duff & Phelps (now Kroll) was appointed with the approval of the DC of Creditors (CoC) as a support service provider to the RP for the CIRP of Punj Lloyd Limited (PLL), functioning in a capacity similar to that of an IPE.

8.1.1. Respondent further submitted that due to technical constraints on email attachment sizes faced by certain CoC members, the IM was uploaded to a secure link by Mr. Archit Arya, a team member of Duff & Phelps, and the link was shared with CoC members. This method was adopted solely to facilitate compliant dissemination of the IM under the Code and applicable regulations.

8.1.2. Respondent further submitted that Mr. Arya used an official email ID associated with the Duff & Phelps domain, not a personal email. The IP's own official communications were also routed through the same domain, which operates on enterprise-grade security systems. Additionally, the designated process-specific email ID (ip.punj@duffandphelps.com) was marked in CC in the email from Mr. Arya, and the communication was a continuation of an existing email thread originally initiated by respondent.

8.1.3. Respondent further submitted the email in question was part of an ongoing chain of correspondence that had originated from my end using the designated process-specific email ID. This clearly indicates that the information shared by Mr. Arya was not independently or newly disseminated, but rather a continuation of the communication already initiated through the appropriate official channel.

8.1.4. Respondent further submitted that there was no breach of confidentiality, no prejudice to the CIRP, and no undue gain or loss to any stakeholder due to the method of IM dissemination.

8.1.5. Respondent further submitted that he had acted in accordance with the Code, its rules and regulations, circulars and guidelines issued thereunder, and the Byelaws and Code of Conduct prescribed under the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016. He maintained contemporaneous written records of decisions taken, including the rationale and supporting information. He further submitted that his Registration Number and Registered Address were consistently used in all communications, thus ensuring compliance with Regulation 7(2)(a) and (h) of the IP Regulations, clause 14 of the Code of Conduct specified in the First Schedule, and IBBI Circular No. IP/001/2018 dated 3rd January 2018.

8.2. **Findings: Section *208 (2) of the Code provides:***

(2) Every insolvency professional shall abide by the following code of conduct:

(a) to take reasonable care and diligence while performing his duties;

……

(e) to perform his functions in such manner and subject to such conditions as may be specified.

Further Para (3) of IBBI Circular No IBBI Circular No. IP/001/2018 dated 03rd January 2018 states:

"Additionally, an insolvency professional may use a process (Example: CIRP, Liquidation, etc.) specific address and email in its communications, if he considers it necessary subject to the conditions that: (i) the process specific address and email are in addition to the details required in Para 2 above, and (ii) the insolvency professional continues to service the process specific address and email for at least six months from conclusion of his role in the process."

8.2.1. Under the Code, RP plays a central role in resolution process of the CD, he is appointed by the AA as an officer of the Court to conduct the resolution process and it is the duty of RP to conduct CIRP with integrity and accountability in the process and to take reasonable care and diligence while performing his/her duties. Therefore, it is imperative for an Insolvency Professional to discharge his duties with utmost care and diligence, in strict adherence to the Code, regulations, and circulars issued by the IBBI, so as to ensure the sanctity of the process and protection of stakeholders' interests.

8.2.2. The Disciplinary DC (DC) notes that the aforesaid circular was issued with the objective of ensuring proper identification of data, ease of record-keeping, and preservation of confidentiality. In terms of the said circular, the Resolution Professional was required to share the Information Memorandum through the process-specific email ID; however, the Respondent failed to do so, thereby violating the mandate of the circular.

8.2.3. The DC further notes the submission of respondent that due to technical constraints on email attachment sizes, faced by certain CoC members, the IM was uploaded to a secure link by Mr. Archit Arya, team member of the respondent through his official id, marking respondent in CC. DC also notes that communication initiated by Mr. Archit was in continuation of an existing email thread originally initiated by respondent.

8.2.4. In view of the foregoing, the Disciplinary DC (DC) notes that the lapse on the part of the respondent was unintentional and without any malafide intent and it did not cause any harm to the process. Thus, the DC decides to take a lenient view and advises the respondent to exercise greater vigilance and care in the future to ensure strict compliance with the provisions of the Code and the regulations framed thereunder.

9.0**. Contravention**: It is apparent that an IP should take reasonable care and diligence while performing his duties, including incurring expenses. As per the engagement letters provided by respondent to IA in respect of Duff and Phelps and AZB Partners, it is noted that the scope of work of both the professional appointed includes certain tasks in overlapping nature, such as assistance in preparation of information memorandum, assistance w.r.t

creditors' claims, assistance in preparation of various reports and their submission etc. In this connection, upon clarification sought by the IA, respondent submitted to IA that *"Duff & Phelps and AZB & Partners were appointed in separate roles. While Duff & Phelps was appointed for back-office support work, AZB and partners were appointed as legal counsel to RP for CIRP and representing RP before various forums not limited to Hon'ble NCLT and NCLAT."* In view of the above, it is observed that Duff and Phelps and AZB partners were appointed by respondent in separate roles, however, allocating work of similar nature, to both the professionals appointed in different capacities may have incurred an extra cost in IRPC. In the present matter, M/s AZB partner was appointed for Rs. 7,70,000 per month and Duff & Phelps was appointed for Rs.31,50,000 per month. In the given circumstances, it is prima-facie reflecting that there may be occurrence of unreasonable cost, and thus respondents' action does not appear to be in consonance with Circular No. IBBI/IP/013/2018 dated 12th June 2018. It is prima facie taken as a violation because respondent failed to provide sufficient explanation/supporting evidence for the diligence which respondent has exercised while allocating the same set of tasks to two (2) different professionals appointed in totally different capacities. Thus, DC is of the prima facie view that respondent have inter-alia violated the provisions of Section 208(2) (a) & (e), of the Code 2016, Regulation 7(2)(a) & (h) of IBBI (Insolvency Professional) Regulation, 2016 read with Clause 14 and 16 of the Code of Conduct as specified in the First Schedule of IP Regulations (Code of Conduct) and the Circular No. IBBI/IP/013/2018 dated 12th June 2018.

9.1. Submission of Ashwini Mehra: In response to the allegation, respondent submitted that Duff & Phelps (D&P) and AZB & Partners (AZB) are two fundamentally distinct entities, each engaged for separate and well-defined roles during the Corporate Insolvency Resolution Process (CIRP) of Punj Lloyd Limited (PLL).

9.1.1. Respondent further submitted that AZB & Partners was engaged exclusively to provide legal advisory services, including drafting of pleadings, rendering legal opinions and representation before judicial and quasi-judicial authorities such as the Hon'ble NCLT and NCLAT and AZB's scope was purely legal in nature. Their services were delivered on an hourly billing model, with detailed monthly invoices outlining the legal services rendered and time spent.

9.1.2. Respondent further stated that Duff & Phelps (D&P) was engaged to provide insolvency support services, including deployment of a team comprising qualified professionals such as chartered accountants and cost accountants, Secretarial, administrative, and IT support, Collation and verification of claims Preparation of the Information Memorandum (IM), monitoring of assets, assistance in the sale process, stakeholder coordination and compliance support, facilitation of Virtual Data Room (VDR), and engagement with resolution applicants and bidders. Respondent further submitted that D&P is not a law firm and does not render legal services. Its role was akin to that of an IPE, providing critical back-office and operational support to the RP.

9.1.3. Respondent also submitted that there was no overlap in scope of work as though the respective engagement letters may contain similar standard language (e.g., "support in CIRP-related matters"), the actual execution of duties by AZB and D&P was distinct and complementary. There was no duplication or functional overlap between the two and this appears in engagement

letters due to standard drafting conventions. Sample invoices were submitted to substantiate the distinction in scope and billing methodology.

9.1.4 Respondent further submitted that he had maintained contemporaneous written records documenting the rationale for appointments, fee structures, supporting documents, and decision-making processes. The appointments were made on an arm's length basis, reflecting integrity, independence, and due diligence and thus prays that the allegation regarding the appointment and engagement of AZB and D&P may kindly be dropped as there is no functional overlap between the two entities, their engagement was reasonable and justified given the scale and complexity of the CIRP, the fees were approved by the CoC in exercise of their commercial wisdom and all regulatory and professional requirements have been duly complied with.

9.2. **Findings:** Section 208(2)(a) of the Code mandates that an Insolvency Professional (IP) must take reasonable care and diligence while performing his duties. As a fiduciary to the creditors, the IP is duty bound to exercise utmost care and prudence while engaging professionals.

9.2.1. In respect of the alleged charge pertaining to inclusion of certain tasks in overlapping nature in the engagement letters of Duff and Phelps and AZB Partners *(such as assistance in preparation of information memorandum, assistance w.r.t creditors' claims, assistance in preparation of various reports and their submission etc.)* which may have incurred an extra cost in IRPC, the DC notes the submission of the respondent that Duff & Phelps (D&P) and AZB & Partners (AZB) are two fundamentally distinct entities, each engaged for separate and well-defined roles. AZB was engaged to provide legal advisory services during the CIRP and to represent the RP before Judicial and Quasi-Judicial forums, including the Hon'ble NCLT and NCLAT while D&P was engaged as an insolvency support services firm to provide infrastructure and back-office support services to RP during CIRP of Punj Lloyd Limited (PLL).

9.2.2. The contentions made by respondent in his defence that *" while there may be some similarity in the language used in their respective engagement letters, particularly in general terms such as 'assistance in preparation of reports' or 'support in CIRP related matters', due to standard drafting conventions. In practice, however, the execution of responsibilities was entirely distinct and complementary and thus defined scope of work should not be interpreted as the actual delivery of services."* are not acceptable as DC notes that the actual services obtained cannot be different from the defined scope of work mentioned in the engagement letters.

9.2.3. The DC notes that the engagement letters issued to D&P and AZB, inter alia, pertaining to preparation of the Information Memorandum, assistance in verification of creditors' claims, preparation and submission of reports etc. shows/reflects the overlapping contractual obligations at the stage of engagement.

9.2.4. Further DC observes that the defined work cannot be different from the actual delivery of work and insolvency professionals are required to demonstrate a high degree of diligence, transparency, and prudence while incurring costs forming part of the CIRP cost. Lack of clarity in defining scopes potentially gives rise to questions of reasonableness and by engaging two expensive professionals with overlapping terms of reference, the Respondent exposed the CD and its creditors to unreasonable and avoidable CIRP cost.

9.2.5. The DC, therefore, holds that the Respondent has failed to provide proper justification for assigning the same set of tasks to two professional entities. Hence DC hold respondent guilty of the said contravention, as alleged.

10.0.Contravention: Para (3) of IBBI Circular No. IP/005/2018 dated 16th January,2018, requires that an insolvency professional shall disclose his relationship, if any, with (i) the Corporate Debtor, (ii) other Professional(s) engaged by him, (iii) Financial Creditor(s), (iv) Interim Finance Provider(s), and (v) Prospective Resolution Applicant(s) to the Insolvency Professional Agency of which he is a member, within three days from the event. The following delays and discrepancies are noted on the part of the respondent:

(a) Disclosure in respect of your appointment as RP was required to be filed latest by 25-05-2019 however the same was filed on 21-12-2020, delay of 576 days.

(b) Disclosure in respect of appointment of AZB & Partners (India) Pvt Ltd. was required to be filed by 15-07-2019 however the same was filed on 12-01-2021, delay of 547 days.

(c) Disclosure in respect of appointment of BDO India LLP was required to be filed by 19-07-2019 however the same was filed on 12-01-2021, delay of 543 days.

(d) Disclosure in respect of appointment of Grant Thornton Bharat LLP was required to be filed latest by 14-11-2020 however the same was filed on 21-12-2020, delay of 37 days.

(e) Disclosure in respect of appointment of Duff & Phelps India Private Limited was required to be filed latest by 30-05-2019 however, the same was filed on 14-10-2020, delay of 503 days.

(f) Disclosure in respect of appointment of Dun & Bradsheet was required to be filed latest by 10-09-2019 however the same was not filed.

Accordingly , DC is of the prima facie view that respondent have *inter-alia* violated the provisions of Section 208(2)(a) & (e) of the Code, Regulation 7(2) (a) & (i) of IBBI (Insolvency Professional) Regulation, 2016, Clause 13and 14 of the Code of Conduct as specified in the First Schedule of IP Regulations (Code of Conduct) and Circular No. IP/005/2018 dated 16th January 2018.

10.1. Submission of Ashwini Mehra: Respondent submitted that the delay in filing relationship disclosures was due to an inadvertent oversight and not driven by any intent to withhold information or by any mala fide intention.

10.1.1. Respondent further submitted that the lapses occurred during a period when the Code was still at a nascent and evolving stage, and the complexity of the CIRP of the Corporate Debtor further contributed to the oversight. Respondent emphasized that the delay did not result in any harm or prejudice to the CIRP or its stakeholders, and that he remained fully committed to transparency, regulatory compliance, and the principles of integrity.

10.1.2. Respondent further requested for a lenient view, considering the extraordinary and unprecedented disruptions caused by the COVID-19 pandemic, which led to operational difficulties, restricted access to records, and communication challenges, thereby contributing to the delay.

10.2. Findings: Para (9) of the Circular No. IP/005/2018 dated 16th January 2018 requires that "The Insolvency Professional shall ensure timely and correct disclosures by him and the other Professionals appointed by him. Any wrong disclosure and delayed disclosure shall attract action against the Insolvency Professional and the other Professional as per the provisions of the law."

Further, as per Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016, read with clauses 13 and 14 of the Code of Conduct for Insolvency Professionals (First Schedule), an Insolvency Professional is duty-bound to make timely disclosures of any relationship or conflict of interest with respect to the Corporate Debtor, its stakeholders, or professionals engaged during the process.

10.2.1. The DC notes that no disclosure was filed in respect of one entity as illustrated in point 10.0 (f) and in respect of disclosures of professional/ professional entities mentioned in point 10.0 (a) to (e), there was a considerable delay on the part of the respondent in making the requisite filings. The respondent in his submission has admitted that these lapses were inadvertent on his part and further submitted that such lapses caused no prejudice to the stakeholders.

10.2.2. However, the DC is of the considered view that the obligation to make timely disclosures is a statutory duty of the Insolvency Professional and cannot be diluted on the ground of inadvertence. Failure in this regard reflects lack of due care and diligence in discharge of responsibilities. Such disclosures are integral to ensure transparency, preventing conflict of interest, and maintaining accountability in the CIRP.

10.2.3. Accordingly, the DC finds that the respondent has contravened the provisions of Section 208(2)(a) & (e) of the Code, read with the Code of Conduct under Regulation 7(2)(h) and 7(2)(i) of the IBBI (Insolvency Professionals) Regulations, 2016, by failing to file the required disclosure and also contravening the timelines mentioned under the code for filing disclosures regarding appointments of professionals during the CIRP. The DC, therefore, holds that the respondent has failed to discharge duties with due diligence as mandated under the Code.

11.0. Contravention: As per the scheme of Insolvency and Bankruptcy Code any dues pertaining to pre-CIRP period must be admitted as a claim. However, it is noted that payment of Rs. 12.24 Crores have been made which includes PF, TDS, ESI Gratuity, GST etc. and payment of Rs. 7.52 Crores have been made to vendors in ongoing construction projects. Thus, DC is of the prima facie view that respondent have *inter-alia* violated the provisions of section 5(13), 14, 208(2)(a) & (e) of the Code, Regulation 31 of the Insolvency Resolution Process for Corporate Persons Regulation 2016, Regulation 7(2) (a) & (h) IBBI (Insolvency Professional) Regulation, 2016, read with Clause 3, 5 and 10 of the Code of Conduct and Clause 8(c) of Circular No. IBBI/IP/013/2018 dated 12th June 2018.

11.1. Submissions of Ashwini Mehra: Respondent submitted that pre CIRP payments were made in good faith to preserve the going concern status of the Corporate Debtor (CD), ensure statutory compliance, and avoid disruptions in critical operations of the Corporate Debtor.

11.1.2. Respondent further categorized the payments broadly under:

- Statutory obligations, such as TDS, PF, ESI, and GST dues, were deducted pre-CIRP but remained unpaid, and thus, not considered part of the CD's estate. Their payment was necessary to ensure compliance and protect the CD from penalties or disqualification.
- Employee-related dues, including full-and-final settlements for employees who had resigned prior to CIRP (on humanitarian grounds), and mess/food subsidies to maintain worker morale and continuity at remote project sites.
- Project-related vendor dues, where payments were made to key vendors and sub-contractors in ongoing infrastructure projects (e.g., NHAI, MORTH, GAIL, AAI) to avoid termination of contracts, encashment of bank guarantees, blacklisting, and disruption of work. These steps enabled realization of over ₹900 crore during CIRP and significantly reduced BG exposure.

11.1.3. Respondent further submitted that the project-related payments were essential to mitigate the risk associated with bank guarantees, which were under imminent threat due to vendor-related disruptions and dissatisfaction among clients. Further submitted that certain clients had explicitly linked continuation of fund disbursements to settlement of vendor claims, making vendor confirmations a prerequisite for receiving critical dues necessary for project execution.

11.1.4. Respondent also submitted that ensuring uninterrupted progress on projects was equally vital to prevent contract termination or invocation of performance guarantees, both of which would have had serious financial and reputational consequences. Respondent further submitted that the payments were necessary, bona fide, and consistent with the objectives of the Code These payments were instrumental in maintaining operational continuity and preserving the credentials of the Corporate Debtor, as blacklisting would have led to severe value erosion

11.1.5. Respondent further submitted that stakeholders who received payments prior to the commencement of the CIRP were advised to file their claims as part of the process, which many of them did. Respondent further submitted that no specific application was filed before the Hon'ble NCLT solely for disclosure of such payments and that all payments were made under the supervision of the CoC to maintain the Corporate Debtor as a going concern and address operational exigencies. These payments were duly placed before the CoC, recorded in the minutes, and no objections were raised by the members. Further, the minutes of the 6th and 8th CoC meetings, containing relevant details, have already been submitted before the Hon'ble NCLT as part of the proceedings.

11.2. **Findings:** Section 14(1)(b) of the Code provides as follows: -

Moratorium. –

(1) Subject to provisions of sub-sections (2) and (3), on the insolvency commencement date, the Adjudicating Authority shall by order declare moratorium for prohibiting all of the following, namely: -

...

(b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;

11.2.1 The DC notes that the moratorium envisaged under Section 14 is a critical safeguard to ensure that the assets of the Corporate Debtor (CD) are preserved during the CIRP, so as to facilitate an orderly resolution. It prohibits any form of transfer or alienation of the CD's assets and seeks to prevent depletion of value prior to the conclusion of the CIRP. This moratorium operates as a judicial shield, pausing all actions that may otherwise affect the value and distribution of the CD's assets and liabilities. It protects the interests of all stakeholders by ensuring equality and fairness in resolution.

11.2.2. The moratorium mechanism facilitates the continued operation of the business and allows the debtor a breathing space for re-organising its affairs. The BLRC in its report has made following observations:

"...One of the goals of having an insolvency law is to ensure the suspension of debt collection actions by the creditors, and provide time for the debtors and creditors to re-negotiate their contract. This requires a moratorium period in which there is no collection or other action by creditors against debtors."

11.2.3. In present case, the DC notes the submission of respondent that the impugned payments were made in good faith with the objective of preserving the going concerning status of the Corporate Debtor (CD), ensuring compliance, and preventing disruption of its critical operations.

11.2.4. DC further notes from the submission of the respondent that such payments were undertaken with the consent of CoC and were duly disclosed in CoC meetings. However, the respondent erred on this count as minutes nowhere suggest that he apprised the CoC members, at any stage. Further CoC is not competent under the statute to take decisions on the subject which statute otherwise explicitly provides that payment against pre-CIRP dues are not payable in any circumstances.

11.2.5. The DC further observes that the payment of pre-CIRP dues to one set of creditors is tantamount to giving preferential treatment to such creditors. The DC further notes that the respondent may not have acted with mala fide intent and that certain payments may have helped preserve the going-concern status of the CD, however, the fact remains that respondent acted in contravention of the Code by making payments towards pre-CIRP liabilities, without authority of law.

11.2.6. DC further observes that the contravention is established beyond doubt and the approval of CoC cannot override the statutory mandate. Further, there is no evidence on record that the respondent sought specific directions or ratification from the Hon'ble Adjudicating Authority

for such payments. In view of the above, the DC holds that the respondent clearly overstepped his statutory role by effecting payments not permitted under the Code and has failed to discharge duties with due diligence as required under the Code.

12.0. **Contravention** : DC observes from the minutes of the 27th CoC meeting dated 30-03-2021 that the agenda item titled as 'approval of CIRP Cost' amounting to Rs. 15 lakh was not put to vote before the CoC. In this connection, IA sought voting result and clarification from respondent, pursuant to which it was submitted before IA that CoC was not just apprised but the approval was also sought during 27th CoC meeting however, no document was provided in support of the submissions thus the said amount prima facie cannot be treated as ratified by the CoC.

DC observes that it is prima facie taken as a violation because respondent failed to provide sufficient documents to support the diligence which respondent has exercised while recording the approval/decision of the CoC, as required under the Code. Thus, DC is of the prima facie view that respondent have *inter-alia* violated the provisions of Section 21(8), and 208(2)(a) and (e) of the Code, Regulation 33(4), 34, 34(A) and 39A of the Insolvency Resolution Process for Corporate Persons Regulation 2016,Regulation 7 (2) (a) and (h) of IBBI (Insolvency Professional) Regulation, 2016 read with clause 14, 16, 19 and 27 of the Code of Conduct as specified in the First Schedule of IP Regulations (Code of Conduct).

12.1. Submissions of Ashwini Mehra: Respondent submitted that the CIRP cost, including the amount of ₹15 lakhs was duly presented and discussed in the 27th CoC meeting, which was attended by all 22 members without any absentees or objections. This amount related solely to logistical expenses incurred for CoC meetings—covering venue charges, A/V arrangements, recording of proceedings, and refreshments. Spreading over 27 meetings, this translates to approximately ₹50,000 per meeting, which respondent contended were standard and necessary for the efficient conduct of proceedings.

12.1.1. Respondent further submitted that the ₹15 lakh expense was not placed for fresh approval in the 27th CoC meeting but was included under the agenda as an 'Update,' as requisite approvals for CIRP cost components had been obtained earlier. Although the agenda title inadvertently read "Approval of CIRP Cost," the intent was only to update the members.

12.1.2. Respondent further submitted that the item was discussed in the presence of the CoC members, CoC's legal counsel, and the RP's legal counsel, and was ratified during the meeting. The minutes of the 27th CoC meeting were later circulated and unanimously adopted during the 28th CoC meeting held on 12 May 2021, without any objections from members.

12.1.3. Respondent further submitted that the expenses in question mainly pertained to meetings held prior to the COVID-19 pandemic. Since the resolution plan was not approved and liquidation of the Corporate Debtor was recommended in the 27th meeting, no further CoC meetings were held post-liquidation order. Therefore, the cost ratification was completed in the same meeting, and no separate voting process was necessary.

12.1.4. Respondent further submitted that the RP acted in full compliance with the Code and relevant regulations, and that no violation of Section 33(4) of the IBC occurred, as the expenses were incurred strictly in the course of the CIRP process.

12.2. Findings: - The DC notes that the title of the agenda in the minutes is important for maintaining a well-documented and legally sound record of the CoC's deliberations, thereby contributing to a transparent and efficient resolution process.

12.2.1. In the present case, the DC notes the submission of the respondent that the agenda was inadvertently titled as "Approval of CIRP Cost", whereas the intent was merely to update the CoC members. Further, the amount in question related solely to logistical expenses incurred for the CoC meeting. The minutes of the 27th CoC meeting which included the discussion of this expense, were subsequently circulated and unanimously adopted in the 28th consecutive CoC meeting.

12.2.2. The DC observes that while the minutes of the meetings constitute a crucial record, upon review of supporting documents and the submissions made by the respondent, the inaccuracy in the agenda item was found to be inadvertent and the result of inadequate drafting, with no evidence of mala fide intent or deliberate omission. The DC further notes that the error caused no prejudice to stakeholders and did not adversely affect the conduct of the proceedings.

12.2.3. In light of the above, the DC takes a lenient view and advises the RP to exercise greater diligence in the future to ensure full compliance with the provisions of the Code.

Conclusion

13. In view of the submissions made by respondent, and materials available on record, DC notes that respondent has conducted the CIRPs of the CDs in a manner that falls short of the standards expected under the Insolvency and Bankruptcy Code, 2016 ("Code") and the regulations framed thereunder. The actions and omissions of respondent indicate a lack of due diligence and disregard for the established provisions and processes. Keeping in view the nature of contraventions as detailed above, in exercise of the powers conferred under Regulation 24(1)(c) and 24(2)(d) of the Insolvency and Bankruptcy Board of India (Byelaws of Indian Institute of Insolvency Professionals) Regulations, 2016 read with clause 15(2) of the Disciplinary Policy of IIIPI, DC hereby disposes of the SCN with the following directions: -

(i) Considering the lapses, the DC imposes a penalty of Rs. 3,00,000 Lakh (Rupees Three Lakhs) on respondent, to be deposited by way of demand draft payable in favour of the Indian Institute of Insolvency Professionals of ICAI (IIIPI) within 30 days of the issue of this order. IIIPI shall in turn deposit the said penalty amount in the Insolvency and Bankruptcy Fund.

(ii) That respondent should take reasonable care and be extremely careful and diligent in future while performing his duties under the Code.

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

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

CERTIFIED TRUE COPY
Sd/-

Date: 17-10-2025
Place: New Delhi

CA Charanjot Singh Nanda, (Member)
Mr. Rajvir Singh, (Member)
CA Rahul Madan, (Member)

Copy to:
1. Insolvency and Bankruptcy Board of India.
2. Indian Institute of Insolvency Professionals of ICAI- Members Record