

**ICSI Institute of Insolvency Professionals**

**(Disciplinary Committee)**

**ICSI IIP/DC/07/2019**

**21<sup>st</sup> November, 2019**

**ORDER**

**(Under Part II of Disciplinary Policy read with Clause 24(1)(a) of Bye Laws of ICSI Institute of Insolvency Professionals)**

**1. Background**

1.1 The Insolvency and Bankruptcy Board of India (IBBI) forwarded the complaint *vide* IBBI letter no. IBBI/Comp/Others/C-00181/51/3932 dated 26<sup>th</sup> March, 2019, referring the complaint of Dr. Ramakant Pande, Financial Creditor against Mr. Prakash Pandya, Insolvency Professional (IBBI/IPA-002/IP-N00201/2017-2018/10587) in the CIRP of Chaubey Realities Private Limited to ICSI Institute of Insolvency Professionals (ICSI IIP) for taking necessary action and to resolve the complaint.



1.2 The Complaint was further forwarded to Mr. Prakash Pandya seeking his reply on the same along with requisite documentary evidence in support of his submission.

1.3 The matter was placed before the Grievance Redressal Committee of ICSI IIP for consideration. The Grievance Redressal Committee deliberated on the matter and observed that in compliance of the NCLT order dated 5th February, 2019, Mr. Prakash Pandya considered the claim of Dr. Ramakant Pande. The matter was further referred by the Grievance Redressal Committee of ICSI IIP to Disciplinary Committee of ICSI IIP.

**2. Alleged Contravention**

The major allegations levelled against Mr. Prakash Pandya inter alia includes-

- (i) Resolution Professional refused to consider the claim of Dr. Ramakant Pande.
- (ii) The Resolution Professional refused to provide Dr. Ramakant Pande copy of Resolution Plan since he is a related party.

### 3. Observations


- 3.1 The matter was placed Disciplinary Committee of ICSI IIP for further consideration. The Disciplinary Committee observed that in compliance of the NCLT order dated 5th February, 2019, Mr. Prakash Pandya considered the claim of Dr. Ramakant Pande. Hence, the said allegation has already been redressed by the Resolution Professional.
- 3.2 The Disciplinary Committee observed that as per Section 21(2) of the Insolvency and Bankruptcy Code, 2016, the Committee of Creditors shall comprise of all the financial creditors of the Corporate Debtor provided that a financial creditor or the authorised representative of the financial creditor referred to in sub-section (6) or sub-section (6A) or sub-section (5) of section 24, if it is a related party of the Corporate Debtor shall not have right of representation, participation or voting in a meeting of the committee of creditors.
- 3.3 The Disciplinary Committee was of the view that Mr. Prakash Pandya has not made any non compliance by not sharing the resolution plan with Dr. Ramakant Pande, who is also a shareholder of more than 20% of paid up equity capital of the Corporate Debtor i.e. Chaubey Realities Private Limited.
- 3.3 The other allegations levelled against Mr. Prakash Pandya are not substantiated.


### 4. Order

- 4.1 On perusal of documents and information on record, the Disciplinary Committee finds that Mr. Prakash Pandya, Insolvency Professional (IBBI/IPA-002/IP-N00201/2017-2018/10587) has not contravened any provision of the Insolvency and Bankruptcy Code, 2016 and rules, regulations made thereunder.

Therefore, the complaint stands dismissed.

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

  
MR. GOPAL KRISHNA AGARWAL  
(CHAIRMAN)

  
DR. S. P. NARANG  
(MEMBER)