

**ICSI Institute of Insolvency Professionals**

**(Disciplinary Committee)**

**ICSI IIP/DC/ 11/2020**

**7<sup>th</sup> September, 2020**

**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 This order disposes of the Show Cause Notice dated 24<sup>th</sup> July, 2020 (SCN) issued to Mr. Nitesh Kumar Sinha, 8A UG CS Ansal Corporate Suites, Vaishali, Ghaziabad, Uttar Pradesh, 201010, a professional member of ICSI Institute of Insolvency Professionals (ICSI IIP) and an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (Board) with Registration No. IBBI/IPA-002/IP-N00280/2017-18/10838.

1.2 In the matter of *Terrence Alloys Private Limited* (“assignment”), Mr. Nitesh Kumar Sinha was appointed as the Interim Resolution Professional on 3<sup>rd</sup> February, 2020 and accordingly public announcement was also made on 11<sup>th</sup> February, 2020. However, it was observed by the Secretariat that the assignment was undertaken by Mr. Nitesh Kumar Sinha without holding valid Authorisation for Assignment.

1.3 ICSI IIP in exercise of its powers conferred under Bye Law 23 of the Bye Laws ICSI Institute of Insolvency Professionals, Part III of the Disciplinary Policy of ICSI Institute of Insolvency Professionals (ICSI IIP) and based on information available on record, issued a show cause notice to Mr. Nitesh Kumar Sinha on 24.07.2020.

1.4 Mr. Nitesh Kumar Sinha failed to submit his reply within stipulated time in SCN issued to him.

1.5 The Disciplinary Committee (DC) has considered the SCN, other material available on record and proceeds to dispose of the SCN in accordance with the Code and Regulations made thereunder.

## 2. Alleged Contravention

Mr. Nitesh Kumar Sinha was appointed as the Interim Resolution Professional on 3rd February, 2020 and accordingly public announcement was also made on 11th February, 2020, without obtaining Authorization for Assignment, whereas Regulation 7A of IBBI (Insolvency Professionals) Regulations, 2016 provides :

### Regulation 7A of Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016

*“An insolvency professional shall not accept or undertake an assignment after 31<sup>st</sup> December, 2019 unless he holds a valid authorisation for assignment on the date of such acceptance or commencement of such assignment, as the case may be:*

*Provided that provisions of this regulation shall not apply to an assignment which an insolvency professional is undertaking as on-*

- a) 31<sup>st</sup> December, 2019; or*
- b) the date of expiry of his authorisation for assignment.”*

## 3. Reply and Observations

- 3.1 The matter was placed before the Disciplinary Committee of ICSI IIP for further consideration.
- 3.2 The Disciplinary Committee from the documents available on record observed that Mr. Nitesh Kumar Sinha accepted the assignment on 7<sup>th</sup> August, 2019, which was before 31<sup>st</sup> December, 2019.

## 4. Order

- 4.1 On perusal of documents and information on record, the Disciplinary Committee is of the view that date of commencement of assignment was 3<sup>rd</sup> February, 2020 whereas, the date of acceptance of assignment was 7<sup>th</sup> August, 2019 which was before 31<sup>st</sup> December 2019.
- 4.2 In view of the above, the DC hereby warns Mr. Nitesh Kumar Sinha to be extremely careful, diligent, strictly act as per law and similar action should not be repeated.

4.3 Further, the DC directs that Mr. Nitesh Kumar Sinha shall only accept any new assignment after obtaining Authorisation for Assignment in view of Regulation 12A of Bye Laws of ICSI Institute of Insolvency Professionals from the date of coming into force of this Order.

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

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

4.6 Accordingly, the show cause notice is disposed of.

CERTIFIED TRUE COPY

Sd/-  
MR. GOPAL KRISHNA AGARWAL  
(CHAIRPERSON)

Sd/-  
DR. S. P NARANG  
(MEMBER)

Sd/-  
CS NAGENDRA RAO  
(MEMBER)