

**ICSI Institute of Insolvency Professionals**

**(Disciplinary Committee)**

**ICSI IIP/DC/13/2020**

**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. S. Rajagopal, a resident of 11/108, 4th Street, Karpagkm Avenue R.A. Puram, Chennai, Tamil Nadu, 600028, 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-N00082/2017-18/10223.
- 1.2 In the matter of *Coastal Energy Pvt. Ltd.* (“assignment”), Mr. S. Rajagopal was appointed as the Interim Resolution Professional on 6<sup>th</sup> January, 2020, accordingly public announcement was also made on 8<sup>th</sup> January, 2020. However, it was observed by the secretariat that the assignment was undertaken by Mr. S. Rajagopal 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. S. Rajagopal on 24.07.2020.
- 1.4 Mr. S. Rajagopal filed his reply to the Show Cause Notice on 6<sup>th</sup> August, 2020.
- 1.5 The Disciplinary Committee (DC) has considered the SCN, the reply to 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. S. Rajagopal was appointed as the Interim Resolution Professional on 6th January, 2020, accordingly public announcement was also made on 8th January, 2020, 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 observed that Mr. S. Rajagopal in his reply submitted that that the assignment was accepted on 1.03.2019. While applying for AFA it asks for age and the matter is sub-judice before Hon’ble High Court Delhi and Hon’ble Supreme Court of India. Further submitted that no contravention of Law has been made. Prayed for benefit of doubt arising out of lack of clarity in the said Regulation.
- 3.2 The Disciplinary Committee observed that the date of acceptance of assignment 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 the date of commencement was 6<sup>th</sup> January, 2020, whereas Mr. S. Rajagopal accepted the assignment on 1<sup>st</sup> March, 2019.

4.2 In view of the above, the DC hereby warns Mr. S. Rajagopal to be extremely careful, diligent, strictly act as per law and similar action should not be repeated.

4.3 Further DC, in view of Regulation 12(A) (2) (e) of Insolvency and Bankruptcy Board of India (Model Bye- Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016 directed Mr. S. Rajagopal to intimate NCLT, Chennai Bench and thereafter confirm the same to ICSI Intitute of Insolvency Professional.

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)