

ICSI Institute of Insolvency Professionals

(Disciplinary Committee)

ICSI IIP/DC/ 03/2021

23rd February, 2021

ORDER

(Under Part III 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 10th September, 2020 (SCN) issued to Mr. Vikas Garg, resident of H No. 2045, First Floor, Sector 15-C, Chandigarh, Haryana & Punjab, 160015, a professional member of ICSI Institute of Insolvency Professionals and an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (Board) with Registration No. IBBI/IPA-002/IP-N00189/2017-18/10506.
- 1.2 The Disciplinary Committee of ICSI vide its order dated 25th October, 2019 held that CS Vikas Garg was guilty of professional misconduct under Clause (1) of Part II to the Second Schedule to the Companies Secretaries Act, 1980. The matter was placed by the Secretariat before the Disciplinary Committee of ICSI IIP. Disciplinary Committee of ICSI IIP directed the Secretariat to issue show cause notice to CS Vikas Garg under Bye Law 23 of the Bye Laws of ICSI Institute of Insolvency Professionals (ICSI IIP).
- 1.3 Show Cause Notice was issued by the Secretariat on 10th September, 2020. Mr. Vikas Garg sent his reply to the Show Cause Notice through e-mail dated 11th September, 2020.
- 1.4 The show cause notice alongwith the reply and supporting documents were placed before the Disciplinary Committee of ICSI IIP for consideration.

2. Alleged Contravention

The Disciplinary Committee of ICSI vide its order dated 25th October, 2019 observed that respondent had committed cheating, criminal breach of trust and conspired to defraud the Company and its shareholders. The Disciplinary Committee of ICSI imposed a fine of Rs. 1,00,000 (Rupees One Lakh) and removed his name from the register of members of ICSI for a period of three years.

Disciplinary Committee of ICSI IIP observed that the contraventions in order dated 25th October, 2019 against Mr. Vikas Gargare solemn in nature and making him a person not 'fit and proper' in terms of the Explanation to clause (g) of regulation 4 of the IBBI (Insolvency Professionals) Regulations, 2016.

3. Reply and Observations

3.1 Mr. Vikas Garg vide his email dated 11th September, 2020 submitted his reply and stated that he has already preferred an appeal against order issued by Disciplinary Committee of ICSI dated 25th October, 2019 before the Appellate Authority constituted under the Company Secretaries Act, 1980. Further, he submitted he will not apply for Authorisation for Assignment (AFA) and will not take undertake any new assignment.

3.2 The Disciplinary Committee of ICSI IIP observed that an appeal against the order dated 25th October, 2019 is already pending for adjudication before the Appellate Authority constituted under the Company Secretaries Act, 1980.

4. Order

4.1 On perusal of documents and information on record, the Disciplinary Committee, ICSI IIP is of the view that since an appeal is already preferred and pending for adjudication before the Appellate Authority of ICSI and in its power conferred under Part III of the Disciplinary Policy of ICSI IIP directed the following:

- i. To suspend the membership of Mr. Vikas Garg, a professional member of ICSI Institute of Insolvency Professionals till any further order by Appellate Authority constituted under the Company Secretaries Act, 1980.
- ii. Mr. Vikas Garg shall not seek or accept any process or assignment or render any services under the Code during the period of suspension.

4.2 This order shall come into force after 30 days from the date of its issue.

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

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MR. GOPAL KRISHNA AGARWAL
(CHAIRPERSON)

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DR. S. P NARANG
(MEMBER)