

ORDER

(Under Part III of Disciplinary Policy read with Clause 24(2) of Bye Laws of ICSI Institute of Insolvency Professionals)

1. Background

This Order disposes of the Show Cause Notice dated 16th January, 2026, ("SCN") issued to Mr. Kairav Anil Trivedi ("Insolvency Professional"), 413-414 Shramjewan B 5, Opp Lodha New Cuffe Parade, Wadala East, Mumbai City, Maharashtra-400037, 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-N00728/2018-2019/12332.

A grievance was received against Mr. Kairav Anil Trivedi through Insolvency and Bankruptcy Board of India on 25th June, 2025 and the Grievance Redressal Committee referred the matter to the Disciplinary Committee on 11th August, 2025. The letter issued by the GRO of ICSI IIP, reply of the IP and other relevant documents were placed before the Disciplinary Committee in its meeting held on 21st October, 2025 and the Committee decided to issue the SCN and the SCN was issued.

The SCN was issued by the Secretariat on 16th January, 2026. Mr. Kairav Anil Trivedi sent his reply to the SCN through e-mail dated 3rd February, 2026.

The SCN along with the reply and supporting documents were placed before the Disciplinary Committee of ICSI IIP in its meeting held on 18th May, 2026 for its disposal in accordance with the Code and Regulations made thereunder. Mr. Kairav Anil Trivedi did not avail an opportunity of hearing before the DC.

The DC has considered the SCN, the reply to the SCN, and other material available on record.

2. Alleged Contravention, Submissions, Analysis and Findings

It was observed that the Insolvency Professional has not communicated to the unsecured financial creditors of the Corporate Debtor namely Shri Mohan Agrawal, Smt. Ayodhya Devi Mangal, Shri Nikhilesh Mangal (HUF) and Smt. Megha Mangal regarding the initiation of Corporate Insolvency Resolution Process ("CIRP") even though their names were shown in the trial balance as provided to the IP by the Corporate Debtor. However, as per Regulation 6A of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations"),

The interim resolution professional shall send a communication along with a copy of public announcement made under regulation 6, to all the creditors as per the last available books of accounts of the corporate debtor through post or electronic means wherever the information for communication is available.

Provided that where it is not possible to send a communication to creditors, the public announcement made under regulation 6 shall be deemed to be the communicated to such creditors.

Accordingly, ICSI IIP was prima facie of the opinion that the IP has not complied with Regulation 6A of CIRP Regulations.

Submissions made by the IP

The Insolvency Professional submitted that the allegation is contrary to the facts on records available with the Regulator. The CD had stopped operations years before CIRP and there were no employees

left with the CD on the start of CIRP, thus the IP had to rely on the data shared by the erstwhile Promoters which contains the excel trial balance without the postal address or e mail ID of the Creditors mentioned therein.

The Excel trial balance which records only the names of these Unsecured Financial Creditors fails to document the postal address and e mail ID of these complainants, i.e., Unsecured financial creditors namely Shri Mohan Agrawal, Shrimati Ayodhya Devi Mangal, Shri Nikhilesh Mangal HUF and Shrimati Megha Mangal and thus without the information of the complete details of postal address/ E mail Id mentioned in the trial balance, no communication can be sent by the IP individually to these complainants Individuals / HUF.

Thus, the documents on records with the Regulator being the trial balance shows that the IP was never having the information of the complete details of Postal Address of these specific unsecured financial creditors. Therefore, the IP without having the Postal address or E mail address of the complainant creditors namely Shri Mohan Agrawal, Shrimati Ayodhya Devi Mangal, Shri Nikhilesh Mangal HUF and Shrimati Megha Mangal could never make any specific intimation of Initiation of CIRP to them even after their name being shown in the Trial Balance as the said trial balance does not contain the Postal address and E mail id of these specific Complainants who are individuals and HUF.

In fact, the complainants advocate has failed to produce any documentary evidence of any single correspondence done by these 4 complaints with the IP during CIRP period, nor having filed their claims from 2019 till 2022 the entire CIRP period till approval of the Resolution plan. Thus, without the Postal address or E mail ID in the knowledge of the IP there is no way in which the IP could have issued any specific individual postal or E mail communication of Initiation of CIRP to the complainants.

The allegation that the IP has not complied with Regulation 6A of CIRP Regulations is not only prima facie contrary to Regulation 6A reproduced below, but also prima facie contrary to the facts on records available with the regulator.

Regulation 6A reads as,

“Provided that where it is not possible to send a communication to creditors, the public announcement made under regulation 6 shall be deemed to be the communicated to such creditors.”

The FORM A of public advertisement has been filed by the IP with IBBI on 13/12/19

The FORM A of public advertisement has been published by IBBI on 14/12/19.

The Public Advertisement has been issued by the IP in compliance with Regulation 6A on 14/12/19.

Thus, in compliance of the Regulation 6A the IP has ensured that the Initiation of Insolvency Resolution process has been communicated to all the Creditors including the 4 complainants through the public announcements in newspapers, whose postal address and E mail ID is not with the IP.

Therefore, this SCN need to be dismissed as there is no violation of Regulation 6A by the IP.

The Insolvency Professional also primarily objected the show cause notice issued and contested that the acceptance of complaint by the regulator in 2025 for a CD whose Resolution Plan has been approved in 2022 is prima facie in complete violation of the Grievance and Complaint Handling Procedure Regulations. *As per IBBI Regulations, grievance / complaint shall be filed within a maximum period of 75 days (45 days plus 30 days of grace) from the date of the occurrence of the cause of action for the grievance/ compliant.* This Complaint has been filed after 2028 days of the occurrence of the cause of action. Since the CIRP has been initiated on 12.12.2019 and concluded on 18.12.22. The regulation updated on 14.06.22 is relevant regulation for this CD under CIRP. The CIRP has been successfully completed by approval of the Resolution plan by the COC on 03.12.21. Further the Resolution Plan has been approved by AA vide Order dt 18.11.22 AA in 1A-210/2022 in CP-2620/2019.

The Insolvency Professional submitted that issuance of this SCN is an Intended violation of Regulation 12(2)(b)(i) Insolvency and Bankruptcy Board of India (Inspection and Investigation) Regulations, 2017, Chapter V, before issuance of this SCN the regulator has failed to document the unfair advantage gained by the IP as a result of the alleged contravention. As per the Hon'ble SC order "*No doubt that even if any stakeholder is not a party to the proceedings before the NCLT and if such stakeholder does not raise his claim before the Interim Resolution Professional/Resolution Professional (RP), the Resolution Plan as approved by the NCLT would still be binding on him*".

It was further submitted that before acceptance of compliant by IBBI and forwarding to ICSI IIP the regulator failed to provide as to how the complainant filing the complaint are covered within the definition of IBBI 's Regulation since a complaint can be filed only be filed by a "stakeholder" who has been defined under 2(j) being an "Aggrieved" person. Moreover, this complaint can be never be considered as an Aggrieved person in the Corporate Insolvency Resolution Process of the CD since the Resolution Plan has been approved in 2022 and thus as per Hon'ble Supreme court rulings after approval of the Resolution Plan all past liabilities are extinguished therefore the complainant can never be considered as a stakeholder under IBC in the year 2025 when the Compliant has been filed especially since after the approval of the plan in 2022 all the past liability of the CD automatically extinguishes under IBC after approval of the Resolution plan in 2022.

Analysis and Findings

The Disciplinary Committee (DC) duly considered the submissions made by the Insolvency Professional and holds that the complaint is hopelessly barred by limitation, being filed well beyond the prescribed period under the relevant statutory provisions.

Without prejudice to the above finding, the allegation is also examined on merits and the DC took note of the fact that only trial balance was available without any contact details and public notice was already issued which is a sufficient compliance of Regulation 6A of CIRP Regulations.

Accordingly, the DC finds no merits in the case.

3. ORDER

After considering the allegations in the SCN and submissions made by IP in light of the provisions of the Code, Regulations and the relevant Circulars, the DC, in exercise of the powers conferred under Part III of the Disciplinary Policy of ICSI IIP observed that Mr. Kairav Anil Trivedi has not violated any provision of the Insolvency and Bankruptcy Code, 2016 and Rules, Regulations made thereunder. Accordingly, the SCN is dropped and the proceedings are closed.

3.2 This Order shall come into force after 30 days from the date of its issue.

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

CERTIFIED TRUE COPY

Sd/-

JUSTICE (RETD.) SH. M. M. KUMAR
(CHAIRMAN)