IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION (L) NO.24771 OF 2026

AND

WRIT PETITION (L) NO.25549 OF 2026

Ritesh Prakash Adatiya … Petitioner

Vs.

Union of India through Secretary, Ministry of Finance and others … Respondents

Mr. Birendra Saraf, Senior Advocate a/w. Mr. Nirman Sharma, Mr. Sachit Bhoble, Mr. Ansh Karnawat, Mr. Aniruth Purusothaman, Mr. Ritesh Hedge and Mr. Kartik Irabatti i/b. Keerti K. for Petitionerin both the Petitions.

Ms. Leena Patil for Respondent No.1 (Union of India) in both the Petitions.

Mr. Anil Singh, Additional Solicitor General a/w. Mr. Pankaj Vijayan, Ms. Sejal Kanase, Mr. Aadarsh Vyas, Ms. Tanvi Parkar and Ms. Purva Narkar for Respondent No.2 (IBBI).

CORAM : MANISH PITALE &
SHREERAM V. SHIRSAT, JJ.

DATE : AUGUST 19, 2026

P.C. :

. The petitioner in these petitions is a resolution professional, who has challenged a show cause notice issued by the respondent - Insolvency and Bankruptcy Board of India (for short ‘Board’) in Writ Petition (L) No.24771 of 2026 and he has also challenged the order passed by the Board in pursuance of the said show cause notice in Writ Petition (L) No.25549 of 2026. The Board, by the impugned order dated 20.07.2026, has cancelled the registration of the petitioner as a resolution professional. The said order also records that it shall come into force on expiry of 30 days from the date of its issue. The period of 30 days expires today. It is in this backdrop that the petitions are taken up for consideration urgently.

2. When the writ petitions are taken up for consideration, learned ASG appearing on behalf of the Board invited attention of this Court to Section 220(7) of the Insolvency and Bankruptcy Code, 2016 (IBC), which now stipulates an appellate remedy to an aggrieved person, like the petitioner herein. The said remedy has been added by way of a recent amendment w.e.f. May 2026.

3. As per the said provision, any person aggrieved by an order of the disciplinary committee of the respondent Board can prefer an appeal to the National Company Law Appellate Tribunal (NCLAT) within a period of 30 days from the date of receipt of the order. It is submitted that in the face of such an alternative efficacious statutory remedy available to the petitioner, this Court may not entertain the writ petitions.

4. Although the learned senior counsel appearing for the petitioner sought to impress upon this Court that amongst other grounds the petitioner has also raised a ground pertaining to the show cause notice itself being issued without jurisdiction, we are of the opinion that, in the facts of the present case, all the grounds available for challenge, including the said ground, can be raised by the petitioner in the statutory appeal now available under the said provision of the IBC.

5. Having heard the learned counsel for the parties, we are of the opinion that while the petitioner can be relegated to the aforesaid appellate remedy, it would be appropriate that the effect of the impugned order is deferred for a specific period of time. The petitioner shall avail of the said appellate remedy and press for appropriate interim reliefs before the NCLAT.

6. At the same time, since the impugned order cancels the very registration of the petitioner as a resolution professional, it would be appropriate that till the time the petitioner files appeal before the

NCLAT and moves for interim reliefs, he does not take up any fresh assignment as a resolution professional.

7. In view of the above, we pass the following order:-

a. The writ petitions are disposed of by permitting the petitioner to avail of the statutory remedy of appeal before the NCLAT under the provisions of the IBC;

b. The effect of the impugned order dated 20.07.2026 passed by the respondent No.2 Board shall remain in abeyance for a period of 6 weeks from today;

c. In the meanwhile, the petitioner shall file appeal before the NCLAT within a period of two weeks from today. He shall ensure that it is processed and registered / numbered at the earliest so that it can be mentioned for urgent interim orders before the NCLAT;

d. We hope and trust that when the petitioner moves the NCLAT for urgent listing, the fact that we have directed the effect of impugned order being kept in abeyance only for six weeks, is taken into account by the NCLAT while giving listing to the petitioner;

e. During the aforesaid period of the impugned order being kept in abeyance for a further period of six weeks, the petitioner shall not take any fresh assignment as a resolution professional;

f. It would be in the interest of justice that NCLAT takes into consideration the time-period consumed by the petitioner while pursuing these writ petitions before this Court for the purpose of calculating limitation;

g. All rights and contentions of the parties are kept open.

8. Needless to say, this order will not come in the way of the petitioner to raise challenge, if so advised, to the validity of the provisions of the IBC and the Regulations framed therein, that may have been raised in these writ petitions as the NCLAT, as an appellate authority, being a creature of the Statute (IBC), may not be able to consider such a challenge.

9. Pending applications, if any, also stand disposed of.

(SHREERAM V. SHIRSAT, J.) **(MANISH PITALE, J.)**

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INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

(Disciplinary Committee)

No. IBBI/DC/334/2026 **20 July 2026**

ORDER

This Order disposes of the Show Cause Notice (SCN) No. COMP-11012/67/2026-IBBI/1915/312 dated 27.03.2026, issued to Shri Ritesh Prakash Adatiya, who is an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (IBBI/Board) with Registration No. IBBI/IPA-001/IP-P01334/2018-2019/12013 and a Professional Member of the Indian Institute of Insolvency Professionals of ICAI.

1. Background

1.1. The Corporate Insolvency Resolution Process ("CIRP") of M/s Medybiz Private Limited ("CD-1") commenced vide order of the National Company Law Tribunal, Mumbai Bench-IV ("AA"), dated 08.05.2024 in CP(IB)/116/MB-IV/2024, on an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code") filed by Reliance Commercial Finance Limited ("RCFL") as Financial Creditor. NPV Insolvency Professionals Private Limited ("NPV IPE") was appointed as the Interim Resolution Professional (IRP), acting through its Authorised Representative, Shri Ritesh Prakash Adatiya who was later on confirmed as Resolution Professional (RP).

1.2. The CIRP of M/s Summit Ceminfra Private Limited ("CD-2") commenced vide order of the AA dated 10.10.2024 in C.P.(IB)/428/MB/2024, on an application under Section 7 of the Code filed by RCFL as Financial Creditor. NPV IPE, acting through Shri Ritesh Prakash Adatiya, was similarly appointed as IRP and subsequently confirmed as RP.

1.3. The CIRP of M/s Replenish Realty Private Limited ("CD-3") commenced vide order of the AA dated 17.04.2024, on an application under Section 7 of the Code filed by the M/s RMOL Engineering and Offshore Limited ("RMOL"). Ms. Shubham Agarwal Goyal was initially appointed as the IRP of CD-3. Pursuant to an Interlocutory Application filed by the Committee of Creditors ("CoC") of CD-3 seeking his replacement, the AA vide order dated 13.08.2024 approved the appointment of NPV IPE, acting through Shri Ritesh Prakash Adatiya, as the Resolution Professional (RP) of CD-3.

1.4. Based on material available on record, the Board noticed that there are certain uncanny similarities in the CIRP process of certain CDs including the aforesaid three CDs pointing towards irregularities. It was noted that the CIRP process was conducted with a pre-determined outcome characterized by making the process a closure method rather than a resolution process.

1.5. The Board, therefore, in exercise of powers under Section 219 of the Code read with Regulation 11 and Regulation 12 of the IBBI (Inspection and Investigation) Regulations, 2017 (Inspection and Investigation Regulations, 2017) formed a prima facie view that Shri Ritesh Prakash Adatiya had violated the provisions of the Code and Regulations made thereunder and issued

SCN to Shri Ritesh Prakash Adatiya on 27.03.2026. Shri Ritesh Prakash Adatiya submitted his reply to the SCN on 10.04.2026.

1.6. The SCN and its response by Shri Ritesh Prakash Adatiya were referred to the Disciplinary Committee (DC) for disposal. Shri Ritesh Prakash Adatiya availed the opportunity of personal hearing before the DC through virtual mode on 19.06.2026 where he personally appeared and made his oral submissions.

2. Alleged Contravention, submissions of Shri Ritesh Prakash Adatiya and findings of the DC.

The DC has considered the SCN, the reply to the SCN and oral submissions made by Shri Ritesh Prakash Adatiya during the personal hearing and proceeds to dispose of the SCN.

2.1. **Contravention-I: Failure to conduct independent due diligence and identify avoidance transactions despite significant red flags and indicators.**

2.1.1. Section 25(2)(j) of the Code requires the RP to file application for avoidance of transactions in accordance with Chapter III of the Code, if any. Further, Section 65 (1) of the Code provides that if, a person initiates the insolvency resolution process or liquidation proceedings fraudulently or with malicious intent for any purpose other than for the resolution of insolvency, or liquidation, as the case may be, the AA may impose upon such person a penalty which shall not be less than one lakh rupees but may extend to one crore rupees. Regulation 35A of CIRP Regulations provides that on or before the seventy-fifth day of the ICD, the RP shall form an opinion whether the CD has been subject to any transaction covered under Sections 43, 45, 50 or 66 and where the RP is of the opinion that the CD has been subjected to any transactions covered under these provisions, then he shall make a determination before the one hundred fifteenth day of ICD and file an application before AA for appropriate relief on or before the one hundred and thirtieth day of ICD. Regulation 36(2)(h) of CIRP Regulations mandates that the Information Memorandum (IM) must include all significant information related to the Corporate Debtor (CD) to enable informed decision-making by the Committee of Creditors (CoC) and potential resolution applicants, specifically covering key operational and financial details.

2.1.2. It was noted on perusal of the Information Memorandum (IM) in the CIRP of Medybiz Private Limited (CD-1) that it has no noticeable business operations. The financial statements for the year ending 31st March 2023 and 31st March 2024 showed that the CD had no employees and nil workers. The IM disclosed that the main object to the CD was to carry on the business of development of software and consultancy for pharmaceutical industries. However, the financial statements in the IM did not indicate any active business operations of any nature.

2.1.3. Similarly, it was noted on perusal of the Information Memorandum (IM) (Annexure-B) in the CIRP of Summit Ceminfra Private Limited (CD-2) that it had no noticeable business operations. The financial statements for the year ending 31st March 2023 and 31st March 2024 showed that the CD -2 had nil employees and nil workers. The IM disclosed that the main object to the CD-2 was to carry on the business of development of software and consultancy for pharmaceutical industries. However, the financial statements in the IM did not indicate any active business operations of any nature.

2.1.4. Apart from the above, it was also noticed that in both the aforesaid CDs, the original applicant namely Reliance Commercial Finance Limited (RCFL) was the same and Committee of Creditors (CoC) constituted of companies belonging to Reliance Anil Dhirubhai Ambani Group (ADA Group). The SRA namely West End Investment and Finance Consultancy Private Limited was also the same in respect of CIRP of CD-1 and CD-3. It was also observed that CD-1 was connected with Reliance Interactive Advisors Private Limited, one of the FCs in CD-1 through common address viz. 502, Plot No. 91/94, Prabhat Colony, Santa Cruz East, Mumbai.

2.1.5. It was also noted that the SEBI Final Order dated 22.08.2024 in the matter of Reliance Home Finance Limited (RHFL) recorded grave findings regarding sanction and disbursement of large General Purpose Corporate loans (GPCL) to entities with negligible or negative financials, without adequate due diligence, credit rating, collateral, or security creation. The said order conclusively established that the CD-1 received GPCL disbursements from RHFL aggregating to approximately 365.90 Crore, and that these transactions were part of a larger scheme to divert funds from RHFL to promoter-linked entities. SEBI found that CD-1 was also one of the key links in this fund-diversion network. Funds received from RHFL were immediately transferred onward to other entities within the Reliance Group. SEBI vide the said order imposed a monetary penalty of ₹25,00,00,000 (Rupees Twenty-Five Crore) on CD-1 along with other such GPCL borrowers under Section 15HA of the SEBI Act for its role in these transactions, a penalty that constitutes a formal adjudicatory finding of violation of securities law arising from the same fund flows that also form the financial history of the CD-1.

2.1.6. On perusal of the financial statements for the year ending 31.03.2023 and 31.03.2024, specifically under the heading 'Emphasis of Matter', it was observed that the Auditor expressed inability to comment on the recoverability of the investment of Rs. 3,39,63,631.92 hundreds made by CD-1 in the entities on the basis of financial strength of these entities and the repayment capacity of the borrower. Similarly, on perusal of 'Material Uncertainty related to Going Concern', it was noticed that the Auditor had indicated material uncertainty casting significant doubt on the CD-1's ability to continue as a going concern. It further notes that accounts were prepared by the management on a going concern basis for the reasons stated in note.

2.1.7. Under Section 25(1)(f) of the Code read with Regulation 35A of the CIRP Regulations, Shri Ritesh Prakash Adatiya was required to examine the transactions of the CD-1 and consider whether applications under these provisions were warranted after opinion and determination. The SEBI Order, which came after the CIRP was initiated was on record containing unambiguous findings that CD-1 had been used to receive and channel funds in a manner indicating fraudulent transactions.

2.1.8. Despite the existence of such publicly available regulatory findings and clear indicators of potentially avoidable transactions, Shri Ritesh Prakash Adatiya failed to examine the transactions undertaken by the Corporate Debtor, Medybiz Private Limited, in the context of preferential, undervalued, fraudulent or extortionate credit transactions (PUFE).

2.1.9. The Board took note of the information shared by the Enforcement Directorate under Section 66(2) of the Prevention of Money Laundering Act, 2002 (PMLA) in respect of corporate debtors of Reliance Anil Ambani Group and Associates (RAAGA) including CD-1, CD-2 and CD-3. wherein upon analysis of the data contained therein, it was revealed that the IBC process was being misused as a tool of tax avoidance, corporate restructuring with malafide objects, money laundering etc.

2.1.10. Further, it was observed that despite these glaring red flags including a publicly available SEBI adjudicatory order imposing a 25 Crore penalty on the CD-1 itself for its participation in the fund diversion scheme, the IM prepared by Shri Ritesh Prakash Adatiya was conspicuously silent on the SEBI proceedings and the penalty imposed on the CD-1, even though the IM was required to disclose details of all material litigation and ongoing investigation or proceeding initiated by government and statutory authorities under Regulation 36(2)(h) of the CIRP Regulations. The SEBI order imposing penalty clearly fall within this mandatory disclosure requirement, yet Shri Ritesh Prakash Adatiya chose not to disclose it.

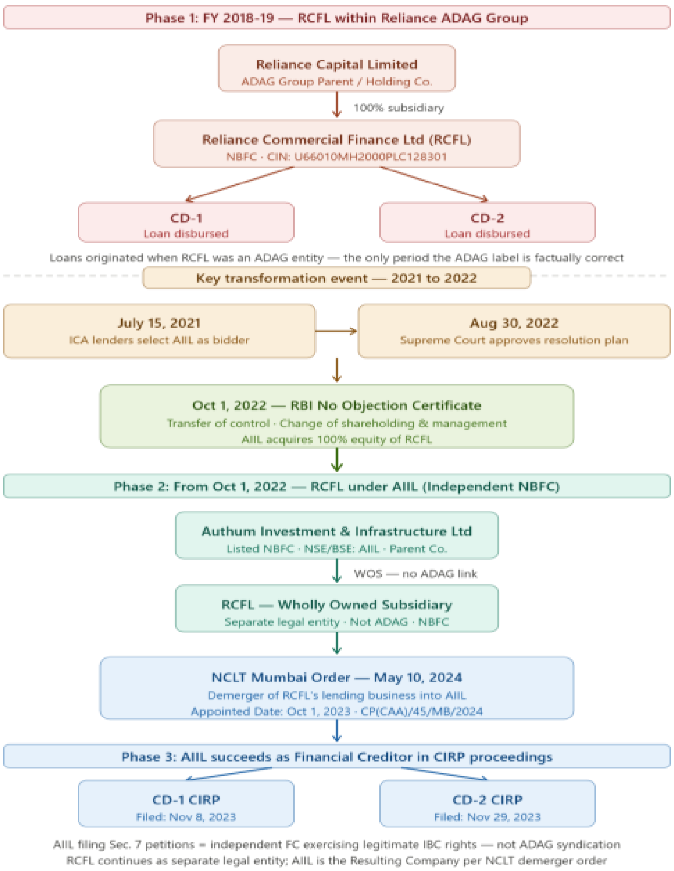
2.1.11. The above failure to (a) disclose the SEBI proceedings in the IM as required under Regulation 36(2)(h) of the CIRP Regulations, and (b) to examine and consider filing PUFE transaction applications in the light of SEBI's findings, indicated a syndicated action among stakeholders to treat the CIRP process as a closure method for said CDs instead of a resolution process, as envisaged by the Code, with a pre-determined outcome. It was, thus, observed that despite the uncanny similarities brought out above viz same original applicant, no business of the CDs, no workmen/employees, no assets etc. and SEBI order indicting involvement the CD-1 of in fraudulent activities in concert with Reliance ADAG group companies which required heightened scrutiny by Shri Ritesh Prakash Adatiya, he failed to bring the same to the notice of the AA, instead presided over and assisted in conclusion of the process, against the objectives of the Code. Despite being aware of the circumstances and factual position stated above, Shri Ritesh Prakash Adatiya conducted the process without pursuing or apprising the AA the possible fraudulent initiation of CIRP of said CD's pursuant to section 65 of the Code.

2.1.12. In view of the above, the Board held that the *prima facie* view that Shri Ritesh Prakash Adatiya contravened the provisions of Sections 25(2)(j), Section 29, and Section 65 of the Code, Regulation 35A and 36(2)(h) of CIRP Regulations and Clauses 1, 13, 14 and 16 of Code of Conduct for IPs, as specified in the first schedule of the IP Regulations.

Submissions by Shri Ritesh Prakash Adatiya.

2.1.13. Shri Ritesh Prakash Adatiya submitted that the main object of the CD-2 as disclosed in Information Memorandum was "Infrastructure Development Activities and Trading" which was exactly as per the Memorandum of Association of the Company. The Information Memorandum is a comprehensive document which contains object of the company as well as the present status of the CD. Hence, the same to be read in full and not in part. The main object of the Company as per the Memorandum of Association, was the main object of the Company. The Audited Financial Statements referred in the SCN was also part of the IM which suggested the object of the company as well as gave factual Operational status of the CD as well full factual disclosures was assured by him.

2.1.14. It was further submitted that Reliance Commercial Finance Limited ("RCFL"), the Applicant / Financial Creditor in the CIRPs of CD-1 and CD-2, was an independent Non-Banking Financial Company, ceased to be part of the Reliance Anil Ambani group and Associates (RAAGA) with effect from 01.10.2022, upon acquisition of 100% equity and control by Authum Investment & Infrastructure Limited ("AIIL"), an independent listed NBFC, pursuant to RBI's No Objection Certificate of even date. The demerger of RCFL's lending business into AIIL was subsequently sanctioned by the Hon'ble NCLT vide order dated 10.05.2024 in C.P.(CAA)/45/MB/2024 (Appointed Date: 01.10.2023). Accordingly, at the time the Section 7 petitions were filed against CD-1 (08.11.2023) and CD-2 (29.11.2023), RCFL was acting in its own capacity as an independent Financial Creditor under AIIL's ownership, it was not Reliance Anil Ambani group and Associates (RAAGA). In the case of CD-2, the loans originally disbursed by Reliance Home Finance Limited ("RHFL") were duly assigned to RCFL vide Assignment Deed dated 31.03.2023 prior to filing of the petition. AIIL has filed number of applications, u/s 7 of the IBC, against the Corporate Debtors to recover the old loans given by erstwhile Management.



The COC in both these cases were controlled by AIIL and as explained above, it does not belong to RAAGA.

2.1.15. Shri Ritesh Prakash Adatiya further submitted that the Successful Resolution Applicant, i.e. West End Investment and Finance Consultancy Private Limited, is an investment and Finance Company having net-worth of more than Rs. 200 Cr. He conducted thorough analysis of the share holdings and management of the SRA. It was found fully Section 29A complaint in both the cases. They have submitted fully compliant resolution plan in both cases. In both cases, CoCs were different. In both cases CoC approved the resolution plan submitted by the PRA West End Investment and Finance Consultancy Private Limited. The fact that different EOI processes were conducted separately for each CD, that different numbers of PRAs submitted EOIs across the three CIRPs, and that the resolution plans were approved by the respective CoCs independently, conclusively disproves any allegation of a pre-decided or syndicated outcome.

2.1.16. Regarding the allegation that the address of one of the financial creditors namely Reliance Interactive Advisors Private Limited having voting share of 0.19%, and CD -1 was same, Shri Ritesh Prakash Adatiya submitted that on perusal of the records and information available with him, it was noted that Addresses of the Financial Creditor and the CD-1 were not same. The Address of Reliance Interactive Advisors Private Limited is 502, Plot No. 91/94, Prabhat Colony, Santacruz (East), Mumbai – 400055 and the Address of Corporate Debtor Medybiz Private Limited is Manek Mahal, 6th Floor, 90 Veer Nariman Road, Mumbai – 400020. It was further submitted that he evaluated all angles to validate whether there was any relationship between the CD -1 and the FC. It was submitted that there is no provision under the Insolvency and Bankruptcy Code, 2016 or the Companies Act, 2013 which provided that mere commonality of address between two entities would render them as "related parties." The determination of related party status was required to be undertaken strictly in accordance with the statutory framework. Shri Ritesh Prakash Adatiya submitted that in discharge of his duties, he had undertaken a comprehensive verification exercise, wherein the relationship between CD-1 and the said Financial Creditor was examined in light of Section 5(24) of the Code as well as the relevant provisions of the Companies Act, 2013. Upon such examination, it was found that: -

i) There was no common shareholding;

ii) no common directors or key managerial personnel

iii) no control or significant influence, and

iv) no interconnected transactions or arrangements between the Corporate Debtor and the said Financial Creditor. Accordingly, none of the statutory ingredients required to qualify as a "related party" under Section 5(24) of the Code were satisfied. It was submitted that upon applying the aforesaid statutory test, none of the ingredients as stipulated under Section 5(24) of the Code were satisfied in the present case, and no material was brought on record to demonstrate any form of control, management, or influence of the said Financial Creditor over the Corporate Debtor.

2.1.17. Shri Ritesh Prakash Adatiya has further submitted that upon assumption of charge as Resolution Professional, he appointed a Transaction Auditor in accordance with Regulation 35A of the CIRP Regulations to conduct an independent and thorough examination of the books of account, financial records, and transactions of each Corporate Debtor. The Transaction Audit

Reports, prepared by M/s. Shah & Gandhi, Chartered Accountants as independent professionals, categorically concluded that no Preferential, Undervalued, Fraudulent, or Extortionate (PUFE) transactions were identifiable in respect of any of the three Corporate Debtors. Specifically, in respect of CD-1 (Medybiz Private Limited), the TA Report dated 10th October, 2024, covering the period 01st April 2022 to 08th May 2024 found: (a) No preferential transaction under Section 43 of IBC; (b) No undervalued transaction under Section 45 of IBC; (c) No extortionate transaction under Section 50 of IBC; and (d) No fraudulent transaction under Section 66 of IBC. The only observation noted was regarding provisioning for diminution in investment value, which the management duly explained through its accounting policies approved by the Board of Directors in respective Board meetings. This observation does not constitute a PUFE transaction under any section of the IBC. It was further submitted that the statutory duty is to form an opinion based on available records, and not to presuppose fraud. Regulation 35A(1) of the CIRP Regulations requires the RP to form an opinion as to whether the Corporate Debtor was subjected to any transactions under Sections 43, 45, 50 or 66 of the Code. This duty is circumscribed by the records of the Corporate Debtor and the information available to the RP. Where an independent Transaction Audit Report concluded the absence of any such transaction, the RP's opinion reflecting the same is a legitimate, reasoned, and professional conclusion. The SCN did not identify any specific transaction qualifying as preferential, undervalued, fraudulent, or extortionate.

2.1.18. Shri Ritesh Prakash Adatiya further submitted that the SEBI Order is an order in the matter of RHFL (the lender), and not in the matter of Medybiz Private Limited (CD-1). The findings of the SEBI Order are in respect of the conduct of RHFL's management in disbursing GPCL loans. The SEBI Order dated 22.08.2024 in the matter of RHFL came after CIRP initiation and does not conclusively establish fraud by the Corporate Debtors. The Corporate Debtor, Medybiz Private Limited, was a borrower. The SEBI's order did not make any adjudicatory finding that Medybiz Private Limited itself committed fraud or that funds received by it constituted avoidable transactions under the IBC. (ii) A regulatory penalty upon a lender does not ipso facto transform the receipt of funds by a borrower into a fraudulent transaction under Section 66 of the Code. For an avoidance application under Section 66 to be maintainable, two cumulative conditions must be established: (a) that the corporate debtor was knowingly party to defrauding creditors, and (b) that such intent existed prior to the insolvency commencement date. No such finding was made against CD-1 in the SEBI Order.

2.1.19. Shri Ritesh Prakash Adatiya further submitted that RP's duty under Regulation 35A was to examine transactions of the Corporate Debtor from the available records. The Transaction Audit Report, based on such records, did not reveal any identifiable PUFE transaction. In the absence of cogent material from the records of the Corporate Debtor itself establishing fraud or preferential treatment, Shri Ritesh Prakash Adatiya could not have been expected to initiate speculative proceedings. With regard to the auditor's remarks concerning the recoverability of investments and the material uncertainty relating to the going concern assumption, Shri Ritesh Prakash Adatiya submitted that such observations support and vindicate the opinion formed by the Transaction Auditor in not classifying the subject transactions as fraudulent in nature. The non-recoverability of investments had been consistently acknowledged by the independent

Statutory Auditor in prior years, and at no point had the Statutory Auditor raised any qualification or observation indicating a fraudulent character of these transactions. Further, no concerns relating to fraud were ever reported by any Statutory Auditor under Section 143(12) of the Companies Act, 2013 in the past. A company which is not in Business since last more than 5 years and not have any employee and working assets shall not be considered as Going Concern. It was further submitted that the Accounts were prepared by the as going concern which was out of his control.

Analysis and Findings by the DC.

2.1.20. The resolution plan for CD-1, CD-2 and CD-3 are pending for approval before AA, as follows:

Name of the CD	Financial Creditor	Insolvency Commencement Date	SRA
CD-1 Medybiz Private Limited	Reliance Commercial Finance Limited- 99.81% Reliance Interactive Advisors Private Limited- 0.19%	08.05.2024	M/s West End Investment and Finance Consultancy Private Limited
CD-2 Summit Ceminfra Private Limited	Authum Investment (Formerly Known as Reliance Commercial Finance) - 65.08% Reliance Infrastructure Limited- 34.92%	10.10.2024	M/s Micro Capitals Private Limited
CD-3 Replenish Realty Private Limited	M/s. RMOL Engineering and Offshore Limited - 100%	17.04.2024	M/s West End Investment and Finance Consultancy Private Limited

2.1.21. From the above table, the DC observes that the CIRP of all CDs exhibited some identical patterns of control:

- **Applicant:** CD-1 and CD-2 CIRP were initiated by the same financial creditor, Reliance Commercial Finance Limited (RCFL).
- **Committee of Creditors (CoC):** The CoC in all CDs consisted of companies affiliated with the Reliance Anil Dhirubhai Ambani Group (ADA Group).
- **Resolution Applicant:** The Successful Resolution Applicant (SRA) for both CD-1 and CD-3 was West End Investment and Finance Consultancy Private Limited.

2.1.22. The DC has also perused the information shared by Enforcement Directorate under Section 66(2) of the Prevention of Money Laundering Act, 2002 (PMLA) to the Board in respect of corporate debtors of Reliance Anil Ambani Group and Associates (RAAGA) including CD-1, CD-2 and CD-3. wherein it was mentioned that the IBC process was being misused as a tool of tax avoidance, corporate restructuring with malafide objects, money laundering etc.

2.1.23. The DC notes that in the Disciplinary Committee (DC) Order No. IBBI/DC/329/2026 dated 03 July 2026, the IBBI examined the resolution processes of eleven CDs affiliated with the ADA Group. The findings highlight a concentrated pattern of Resolution Applicants (RAs) across these entities:

- **Micro Capitals Private Limited:** This entity is identified as the sole SRA for ten of the CDs in the aforesaid order. Notably, it is also the SRA for Summit Ceminfra Private Limited (referred to as CD-2 in the order).
- **West End Investment and Finance Consultancy Private Limited:** This entity is identified as the sole SRA for the eleventh CD in the aforesaid order. It also serves as the SRA for both Medybiz Private Limited (CD-1) and Replenish Realty Private Limited (CD-3).

2.1.24. The DC also notes that CD-1 was explicitly named in a SEBI Final Order dated 22.08.2024, which mentioned it as a conduit for a fraudulent fund-diversion scheme. SEBI imposed a penalty of ₹25 Crore on CD-1 for violations.

2.1.25. Section 25(1) of the Code casts duty on the Resolution Professional to protect and preserve the value of the corporate debtor. In furtherance to this duty, Section 25(2)(j) read with Regulation 35A of the CIRP Regulations mandates the Resolution Professional to form an opinion as to whether the CD has been subjected to any avoidance transaction and file application with the AA. The performance of this duty requires the RP to bring an independent professional approach to scrutinise the affairs of the corporate debtor.

2.1.26. The DC observes that in the instant cases, the transaction auditor had highlighted the point that the CD-1 and CD-2 had no plant and machinery and employees and even no revenue. Even the financial statements attached by Shri Ritesh Prakash Adatiya with the Information Memorandum did not indicate any active business being carried out by the CD-1 and CD-2. Further, the balance sheets of the CD-1 and CD-2 reflect the borrowing and onward lending activities by these corporate debtors. Further, the SEBI investigation and Order had mentioned about illegal siphoning of money by the group companies of ADAG including CD-1 ad CD-2. This was in the knowledge of Shri Ritesh Prakash Adatiya as the investigation was conducted and Order was passed by SEBI during the CIRP proceedings of the CDs.

2.1.27. The DC notes that Clause 14 of Code of Conduct mandates an IP not to act in a mala fide manner or be negligent while performing its functions and duties under the Code. The DC notes that Shri Ritesh Prakash Adatiya chose to ignore the available evident information in front of him and failed to diligently carry out his duties under the Code. Having possession of such information and documents, the DC finds that Shri Ritesh Prakash Adatiya has failed to exercise the professional competence and diligence expected of him by not bringing the apparent misuse of the IBC process before the CoC and AA and by failing to file requisite applications before the AA.

2.1.28. Further, Regulation 36(2)(h) of the CIRP Regulations mandates that the information memorandum prepared by a resolution professional must disclose details of all material litigation and ongoing investigation or proceeding initiated by Government and statutory authorities. Also, Clause 16 of the Code of Conduct mandates an IP to maintain written contemporaneous record for any decision so as to sufficiently enable a reasonable person to take a view on the appropriateness of the decisions and action. The DC notes that the obligation under Regulation 36(2)(h) of the CIRP Regulations exist to ensure that the CoC and prospective resolution applicants are adequately apprised of the business complexity and operational aspects of the CD, thereby enabling them to make informed decisions and formulate viable resolution plans. The failure to disclose about the relevant facts of the CDs and the proceedings initiated by SEBI, a pattern of common applicants, and common CoC composition amounts to gross violation of Regulation 36(2) of the CIRP Regulations read with Clause 16 of Code of Conduct.

2.1.29. The records disclose a matrix of structural overlaps across Corporate Debtors, revealing a coordinated mechanism designed to facilitate the disposal of assets rather than to achieve the genuine economic revival of the Corporate Debtors. The pattern demonstrates common control, interconnected transactions, and synchronized conduct inconsistent with the objectives of the insolvency resolution framework. A Resolution Professional as Chairman of the CoC occupies a position of trust qua the body of creditors and other stakeholders and the integrity of the insolvency framework itself. Clause 1 of Code of Conduct mandates an IP to maintain integrity by being honest, straightforward, and forthright in all professional relationships. Rather than apprising the Adjudicating Authority these facts, Shri Ritesh Prakash Adatiya opted to continue the proceedings which was apparently carried out for an ulterior and malafide objective and effectively became an instrument in utilizing of the process under the Code for objectives entirely contrary to the spirit of the Code. Shri Ritesh Prakash Adatiya has violated section 65 read with Clauses 1 and 14 of Code of Conduct by failing to exercise professional competence and failing to act with the necessary due diligence.

2.1.30. In view of the foregoing, the DC holds that Shri Ritesh Prakash Adatiya has contravened Sections 25(2)(j), 29, and 65 of the Code, Regulation 35A and 36(2)(h) of CIRP Regulations and Clauses 1, 13, 14 and 16 of Code of Conduct for IPs, as specified in the first schedule of the IP Regulations.

2.2. **Contravention -II. Failure to file requisite CIRP Forms with the Board in the matter of CD-1, CD-2 and CD-3.**

2.2.1. It was noted that Regulation 40B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016 (CIRP Regulations) provides that the interim resolution professional or resolution professional, as the case may be, shall file the Forms, along with the enclosures thereto, on an electronic platform of the Board, as per the timelines stipulated therein.

2.2.2. It was also noted that as per Regulation 40B, Filing of Forms (CP-3A), details of resolution plan/ liquidation/closure application filed with AA which includes details of the resolution applicants, details of approval or rejection of resolution plans by CoC, details of application filed with AA for approval of resolution plan, details of initiation of liquidation (if applicable), etc. has to be filed on or before the 10th day of the subsequent month, after filing application with AA.

2.2.3. It was noted that Shri Ritesh Prakash Adatiya filed Form-CP 3A after a delay of 211 days in CD-1, 60 days in CD-2 and 178 days in CD-3. Further, Shri Ritesh Prakash Adatiya filed Form-CIRP 8 after a delay of 14 days in CD-1, 41 days in CD-2 and 87 days in CD-3.

2.2.4. Therefore, the Board held the prima facie view that Shri Ritesh Prakash Adatiya repeatedly failed to provide the information required by the Board in a routine manner and therefore, he contravened Sections 208(2)(a) and (e) of the Code, Regulation 40B of the CIRP Regulations, and Regulation 7(2)(a) and (h) of the IP Regulations 2016 read with Clauses 13 and 14 of the Code of Conduct, specified in the first schedule of the IP Regulations.

Submissions on behalf of Shri Ritesh Prakash Adatiya

2.2.5. It was submitted by Shri Ritesh Prakash Adatiya that Form CP-3A was introduced pursuant to the amendment to the CIRP Regulations dated 19.05.2025, effective from 01.06.2025, and prior thereto no such form existed and consequently no statutory obligation to file the same could have arisen; therefore, computation of delay by retrospectively applying the due date of a subsequently introduced form to events that predate its very existence is legally untenable and contrary to settled principles governing regulatory compliance. It was further submitted that IBBI, vide Circular No. IBBI/CIRP/85/2025 dated 26.05.2025, expressly provided under Clause 9(b)(iii) that where any form under the revised framework was due for submission on or before 01.06.2025, such forms were permitted to be submitted up to 30.09.2025, thereby extending the applicable due date for filing Form CP-3A in all three Corporate Debtors to 30.09.2025.

Particulars	CD-1	CD-2	CD-3
CIRP Admission Date	08.05.2024	10.10.2024	17.04.2024
Application for Resolution Plan filed with AA	04.11.2024	15.04.2025	13.01.2025
Form CP-3A introduced w.e.f.	01.06.2025	01.06.2025	01.06.2025
Due date as per IBBI Circular No. IBBI/CIRP/85/2025 dated 26.05.2025	30.09.2025	30.09.2025	30.09.2025
Actual date of filing Form CP-3A	09.07.2025	09.07.2025	09.07.2025
Days before extended due date	83 days early	83 days early	83 days early
Delay alleged in SCN	211 days	60 days	178 Days
Actual Delay	NIL	NIL	NIL

2.2.6. Shri Ritesh Prakash Adatiya also submitted that with respect to filing of Form CIRP-8 for CD-1, on 31.07.2024, he appointed M/s. Shah & Gandhi, as Transaction Auditor. The Auditor submitted its report on 24.10.2024, whereas the due date for filing CIRP Form 8 was 21.10.2024. Form – 8 was then filed on 04.11.2024. Consequently, there was a delay of 14 days in filing the said Form. The delay was purely inadvertent. Upon the same coming to his notice, the Form was promptly filed without any further delay.

2.2.7. Further, Shri Ritesh Prakash Adatiya submitted that for CD-2, on 18.11.2024, the RP appointed M/s. Shah & Gandhi, CAs, as Transaction Auditor. In the 5th CoC meeting held on 03.04.2025, Shri Ritesh Prakash Adatiya informed the members that the audit was complete, and no Preferential, Undervalued, Fraudulent, or Extortionate transactions were found. The report was delayed due to year-end procedures, but the auditor assured submission within 1–2 days. The signed report was submitted via mail on Apr 07, 2025. Form – 8 was then filed on April 09, 2025. Shri Ritesh Prakash Adatiya submitted that for CD-3, he appointed Shah & Gandhi, Chartered Accountants, as the Transaction Auditor on 10.09.2024 to conduct a transaction audit of the Corporate Debtor. The Transaction Auditor submitted its report via email on 26.11.2024. The report concluded that no PUFE transactions were identified during the audit. The audited report was subsequently presented for discussion before the members of the CoC during the Eighth CoC meeting held on November 26, 2024. Form – 8 was then filed on November 30, 2024.

2.2.8. Shri Ritesh Prakash Adatiya submitted that the delays in filing CIRP forms, while acknowledged, did not cause any prejudice to any stakeholder. No creditor complained about delay in form filings. The CoC was kept informed of the status of each filing. The information mandated to be filed was ultimately filed, and no substantive right of any party was affected. Regulatory penalties for technical delay must be assessed in light of the cause of delay and the absence of any resulting prejudice. The Hon’ble NCLAT in multiple decisions recognized that procedural delays occasioned by external factors, cannot be equated with deliberate contravention

Analysis and Findings of the DC

2.2.9. Shri Ritesh Prakash Adatiya filed Form-CIRP 3A for all three CDs on 09.07.2025. In view of the timelines prescribed under the Circular, the DC accepts the submission of Shri Ritesh Prakash Adatiya. The DC further notes that as per Regulation 40B(1B), the RP shall file Form CIRP-8 intimating about the details of his opinion and determination under regulation 35A, on or before he one hundred and fortieth day of the insolvency commencement date. In this case, the due date for filing CIRP Form-8 in case of CD-1, CD-2 and CD-3 was 25.09.2024, 27.02.2025 and 04.09.2024 respectively from, the date of commencement of CIRP. Shri Ritesh Prakash Adatiya filed Form-8 of CD-1, CD-2 and CD-3 on 04.11.2024, 09.04.2025 and 30.11.2024 respectively which constitutes delay of 40 days, 41 days and 87 Days. The DC observes that Shri Ritesh Prakash Adatiya 's submission on delay in filing of CIRP -8 Form that the delays were occasioned by the timing of the Transaction Auditor's reports does not excuse the default. The obligation to file Form CIRP-8 within 140 days of the ICD is the RP's own personal, non-delegable statutory obligation; the engagement of a third-party professional does not transfer that obligation, nor does it excuse a failure to plan the engagement so as to permit timely compliance. The position is starkest in respect of CD-3 where Shri Ritesh Prakash Adatiya 's own submission records that the Transaction Auditor was appointed only on

10.09.2024, whereas the due date for Form CIRP-8 being 140 days from the ICD of 17.04.2024 fell on 04.09.2024. On Shri Ritesh Prakash Adatiya 's own chronology, therefore, the Transaction Auditor for CD-3 was appointed six days after the statutory deadline for filing Form CIRP-8 had already expired.

2.2.10. Accordingly, the DC is of the view that Shri Ritesh Prakash Adatiya failed to file CIRP Form-8 as per the stipulated timelines given under the Regulation 40B of the CIRP Regulations read with clause 13 of Code of Conduct and therefore holds the contravention.

2.3. **Contravention -III. Failure to file requisite cost and relationship disclosures with the concerned IPA in the matter of CD-1, CD-2 and CD-3.**

2.3.1. It was noted that as per Clause 8B of the Code of Conduct provides that an insolvency professional shall disclose its relationship, if any, with the corporate debtor, other professionals engaged by it, financial creditors, interim finance providers, and prospective resolution applicants to the insolvency professional agency of which he is a member, within the time specified. Further, clause 8C of the Code of Conduct provides that an insolvency professional shall ensure disclosure of the relationship, if any, of the other professionals engaged by it with itself, the corporate debtor, the financial creditor, the interim finance provider, if any, and the prospective resolution applicant, to the insolvency professional agency of which he is a member, within the time specified

2.3.2. The Board noted that Shri Ritesh Prakash Adatiya failed to file the aforesaid requisite disclosures with the IPA in respect of any of the professionals appointed by him, therefore, the Board held the prima facie view that Shri Ritesh Prakash Adatiya had contravened Sections 208(2)(a) and (e) of the Code and Regulation 7(2)(a) and (h) of the IP Regulations 2016 read with Clauses 8B, 8C and 14 of the Code of Conduct specified in the first schedule of the IP Regulations.

Submissions on behalf of Shri Ritesh Prakash Adatiya

2.3.3. Shri Ritesh Prakash Adatiya submitted that as mentioned in factual background paragraph earlier, all professionals were appointed through the NPV Insolvency Professionals Private Limited IPE, which is recognized with ICSI Institute of Insolvency Professionals. All disclosures were made through IPE compliance mechanism. Shri Ritesh Prakash Adatiya had no personal relationship with CD, FCs, or professionals. All engagements were done through the IPE. For CD-3, the majority of professionals, including valuers, were appointed by Ms. Shubham Agarwal Goyal (previous IRP). Disclosure obligations for inherited appointments must be assessed in this context.

2.3.4. Shri Ritesh Prakash Adatiya further submitted that all disclosures related to Clause 8B and Clause 8C of First Schedule of IP Regulations 2017 were part of IPE's Compliance Mechanism for CD-1, CD2 and CD-3. Thus, no actual conflict of interest was alleged. Technical non-compliance without demonstrating prejudice cannot attract any action.

Analysis and Findings of the DC

2.3.5. The DC notes that the obligation under Clauses 8B and 8C of the Code of Conduct is time-bound was meant to be complied with by Shri Ritesh Prakash Adatiya, being the Resolution Professional. However, the same has not been done. The DC notes the submission of Shri Ritesh Prakash Adatiya regarding CD-3 that the majority of professionals, including valuers, were appointed by the predecessor IRP does not exonerate him in respect of CD-1 and CD-2, where Shri Ritesh Prakash Adatiya was the original IRP/RP from inception and was himself responsible for selecting and appointing professionals from the outset. Further, Shri Ritesh Prakash Adatiya in respect of CD-3 failed to file disclosure of his own relationship with the CD, the Financial Creditors and the prospective resolution applicants, which is a personal obligation under Clause 8B, independent of any third party's prior appointment of other professionals. Accordingly, the DC holds the contravention.

3. Order

3.1. In view of the foregoing discussion, the DC finds that Shri Ritesh Prakash Adatiya, as RP and Chairman of CoC failed to act as a fiduciary for stakeholders by ignoring his statutory duty under Section 25(2)(j) and Regulation 35A of the CIRP Regulations to identify the transactions that eroded the value of the Corporate Debtors. Despite SEBI order dated 22.08.2024 which reflected the corporate debtors as being conduit for fraudulent fund diversion, Shri Ritesh Prakash Adatiya failed to fulfil his statutory obligations to initiate proceedings under Sections 43, 45, 50, and 66 of the Code. Further, the Shri Ritesh Prakash Adatiya also violated Regulation 36(2)(h) by failing to disclose the SEBI order and the associated Rs. 25 Crore penalty in the Information Memorandum. This omission prevented the Committee of Creditors and potential Resolution Applicants from accurately assessing the financial health and legal risks of the CD. The DC finds that Shri Ritesh Prakash Adatiya has failed to exercise his professional diligence in the conduct of CIRP of the CDs.

3.2. The DC finds that the conduct of Shri Ritesh Prakash Adatiya is in violation of Clause 1 of the Code of Conduct, which mandates that an insolvency professional shall maintain integrity by being honest, straightforward and forthright in all professional relationships. The extent of the pattern across multiple CIRPs cannot be regarded as random coincidence and rather it indicates a structured, coordinated framework designed with a pre-determined outcome of rapid corporate closure rather than a bonafide rescue or valuation maximizing exercise. The Code is designed to maximize asset value and rescue viable corporate entities. The RP cannot protect himself under the pretext of a "procedural" label when his passive conduct permitted an insolvency framework to be used as an tool to dispose the assets of the CD(s) and compromise creditor claims, leading to a blatant misuse of the IBC framework. By deliberately suppressing material facts regarding potential abuse of the insolvency process and failing to report these findings to the Adjudicating Authority, he has breached his fundamental obligation to act with honesty, and forthrightness. This failure to exercise independent professional judgment, despite having sufficient information to recognize a coordinated misuse of the insolvency framework across CIRPs, constitutes gross negligence in the performance of his statutory duties.

3.3. Furthermore, the DC also holds that Shri Ritesh Prakash Adatiya has violated Clause 14 of the Code of Conduct, which mandates that an insolvency professional shall neither act with malafide nor be negligent while performing his functions and duties under the Code. The DC observes that IP should act as an impartial officer of the court and a custodian of the corporate estate. However, Shri Ritesh Prakash Adatiya, despite being Chairman of the CoC, effectively acted as a facilitator for a compromised CoC and a common Resolution Applicant. The DC underscored that Code is an economic legislation intended to maximize asset value and protect stakeholder interests. It cannot be permitted to serve as a tool for collusive debt extinguishment, strategic corporate burial, or the shielding of fraudulent transactions. Such actions undermine the institutional trust placed in an Insolvency Professional and are entirely contrary to the objectives and spirit of the Code.

3.4. In view of these findings, the DC finds that Shri Ritesh Prakash Adatiya is in violation of multiple statutory provisions and regulatory requirements. Specifically, he has contravened Sections 25(2)(j), 29, 65(1), 208(2)(a), and 208(2)(e) of the Code, as well as Regulations 35A, 36(2)(h), and 40B of the CIRP Regulations, and Regulations 7(2)(a) and (h) of the IP Regulations. These violations are further compounded by his failure to adhere to the Code of Conduct for Insolvency Professionals, specifically Clauses 1, 8B, 8C, 13, 14, and 16.

3.5. In view of the foregoing discussion, the DC in exercise of the powers conferred under Section 220 of the Code read with Regulation 13 of the IBBI (Inspection and Investigation) Regulations, 2017 hereby cancels the registration of Shri Ritesh Prakash Adatiya (Registration No. IBBI/IPA-001/IP-P01334/2018-2019/12013). Further, in terms of Section 206 of the Code, Shri Ritesh Prakash Adatiya shall not be eligible to continue his existing assignments.

3.6. This Order shall come into force on expiry of 30 days from the date of its issue.

3.7. A copy of this order shall be forwarded to the Indian Institute of Insolvency Professionals of ICAI where Shri Ritesh Prakash Adatiya is enrolled as a member.

3.8. A copy of this order shall also be forwarded to the Registrar of the National Company Law Tribunal, Principal Bench, for information.

3.9. A copy of this order shall be forwarded to Head Office, Directorate of Enforcement for information.

3.10. Accordingly, the show cause notice is disposed of.

sd/-

(Bhushan Kumar Sinha)
Whole Time Member
Insolvency and Bankruptcy Board of India

sd/-

(Ravi Mital)
Chairperson
Insolvency and Bankruptcy Board of India

Dated: 20 July 2026
Place: New Delhi