INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

(Disciplinary Committee)

No. IBBI/DC/352/2026 12 November 2026

ORDER

This Order disposes of the Show Cause Notice (SCN) No. COMP-11011/180/2025-IBBI/1921/328 dated 30.03.2026, issued to Mr. Soumitra Lahiri, who is an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (IBBI/Board) with Registration No. IBBI/IPA-001/IP-P00734/2017-2018/11232 and a Professional Member of the Indian Institute of Insolvency Professionals of ICAI (IIIPI).

1. Background

1.1. The Corporate Insolvency Resolution Process (CIRP) of M/s Manglam Fiscal Services Private Limited (CD) was initiated by the order of the National Company Law Tribunal, Kolkata Bench (AA) dated 03.10.2023 on the application filed by State Bank of India under Section 7 of the Code. The Liquidation process of the CD commenced *vide* order dated 16.01.2025 of the AA and Mr. Vasudeo Agarwal was appointed as Liquidator. Subsequently, *vide* order dated 24.04.2025, Mr. Vasudeo Agarwal was replaced and Mr. Soumitra Lahiri was appointed as the Liquidator in the matter.

1.2. The Board received a complaint against Mr. Soumitra Lahiri with regard to his assignment as Liquidator in the Liquidation proceedings of the CD. The Board in exercise of its powers under Section 218 of the Code read with Regulations 7(2) and 7(3) of IBBI (Inspection and Investigation) Regulations, 2017 (Inspection and Investigation Regulations) appointed an Investigating Authority (IA) to conduct investigation in the matter of CD in reference to the complaint. The IA served upon Mr. Soumitra Lahiri, the notice of investigation dated 27.10.2025 as per Regulation 8(1) of the Inspection and Investigation Regulations and in response thereof, Mr. Soumitra Lahiri submitted his reply on the even date. After considering reply of Mr. Soumitra Lahiri, the IA submitted the Investigation Report (IR) to the Board. On examination of the IR, the Board formed a *prima facie* opinion that Mr. Soumitra Lahiri has contravened provisions of the Code and Regulations made thereunder and issued SCN to Mr. Soumitra Lahiri on 30.03.2026. Mr. Soumitra Lahiri submitted his reply to the SCN on 13.04.2026.

1.3. The SCN and its response by Mr. Soumitra Lahiri was referred to the Disciplinary Committee (DC) for disposal. Mr. Soumitra Lahiri availed the opportunity of personal hearing before the DC through virtual mode on 18.08.2026. Thereafter, Mr. Soumitra Lahiri submitted additional written submissions on 21.08.2026. By email dated 13.10.2026, Mr. Soumitra Lahiri was requested to furnish certain documents and information, which he

furnished on 14.10.2026 and 22.10.2026. The DC has considered the SCN, the reply to SCN, oral and written submissions of Mr. Soumitra Lahiri and the documents furnished by him and proceeds to dispose of the SCN.

2. Alleged Contravention, submissions of Mr. Soumitra Lahiri and findings of the DC.

2.1. **Contravention-I: Arbitrary revision of claim of the financial creditor resulting in alteration of voting share.**

2.1.1 Section 39 of the Code requires the liquidator to verify the claims submitted under Section 38 within such time as specified by the Board. Further, under Section 40, the liquidator is required to admit or reject claims (in whole or in part) after verification. It further provides that where the liquidator rejects a claim, he shall record reasons in writing and communicate them to the creditor. Regulation 30 of the IBBI (Liquidation Process) Regulations, 2016 (Liquidation Regulations) states that *"the liquidator shall verify the claims submitted within thirty days from the last date for receipt of claims and may either admit or reject the claim, in whole or in part, as the case may be."*

2.1.2 Further, as per Regulation 31 of the Liquidation Regulations, the liquidator is required to file the list of stakeholders with the AA within forty-five days from the last date for receipt of the claims. Furthermore, in terms of Regulation 31(3) of the Liquidation Regulations, the liquidator may apply to the AA to modify an entry in the list of stakeholders filed with the AA, when he comes across additional information warranting such modification, and shall modify the entry in the manner directed by the AA.

2.1.3 It was observed that the State Bank of India (SBI) had filed its claim amounting to Rs.19,80,41,869/- during the CIRP of the CD. Thereafter, upon Liquidation of the CD, erstwhile liquidator admitted the claim amount of Rs.19,80,41,869/- and later on, Mr. Soumitra Lahiri, admitted the claim amount of Rs.24,39,20,845.30/-, appreciated on account of interest accrued during the CIRP period, as against the amount claimed of Rs.8,65,09,94,392.47/-. This resulted in modification of the list of stakeholders and increase in the voting share of SBI from 4.61% to 5.62% in the stakeholders' consultation committee (SCC). While Mr. Soumitra Lahiri proceeded to conduct the third meeting of the SCC on 19.05.2025 with the reconstituted composition, however, there is no material on record indicating that Mr. Soumitra Lahiri applied to the AA for carrying out such modification of the list of stakeholders.

2.1.4 Thereafter, on 21.05.2025, Mr. Soumitra Lahiri revised the admitted claim of SBI to Rs.8,65,09,94,392.48/-, including additional claim on account of corporate guarantee executed by CD for loan accommodations extended by SBI to Shree Mahalaxmi Corporation Private Limited (SMCPL), acknowledging the co-extensive liability of the corporate guarantor with that of the principal borrower. This resulted in modification of the list of stakeholders and increase in the voting share of SBI from 5.62% to 67.87% in the SCC. While Mr. Soumitra Lahiri proceeded to conduct the fourth and fifth meetings of the

SCC on 04.06.2025 and 01.07.2025, respectively with the reconstituted composition, however, there is no material on record indicating that Mr. Soumitra Lahiri applied to the AA for carrying out such modification of the list of stakeholders.

2.1.5 However, on 08.07.2025, Mr. Soumitra Lahiri reduced the claim of SBI to Rs. 24,39,20,845.30/- excluding the aforesaid claim submitted by SBI on account of corporate guarantee without obtaining the requisite directions of the AA for such modification. This resulted in modification of the list of stakeholders and reduction of the voting share of SBI from 67.87% to 5.62% in the SCC. After carrying out such modification of the list of stakeholders, Mr. Soumitra Lahiri went ahead and conducted sixth meeting of the SCC on 02.01.2026

2.1.6 In view of the above, it was observed that Mr. Soumitra Lahiri initially modified the claim of SBI by including the claim amount towards accrued interest during the CIRP period and gave effect to the same by modifying the list of stakeholders, resulting in an increase in its voting share in the SCC from 4.61% to 5.62%. Thereafter, in May 2025, upon acknowledging the co-extensive liability of the corporate guarantor with that of the principal borrower, Mr. Soumitra Lahiri further modified the claim of SBI by including the component on account of corporate guarantee executed by CD for loan accommodations extended by SBI to SMCPL, resulting in a substantial increase in its voting share from 5.62% to 67.87%. It was observed that in both instances, there was no material on record to indicate that Mr, Soumitra Lahiri applied to the AA for modification of the list of stakeholders under Regulation 31(3) of the Liquidation Regulations. In the meantime, Mr. Soumitra Lahiri proceeded to conduct the third, fourth and fifth meetings of the SCC based on such modified composition.

2.1.7 It was further noted that in July 2025, Mr. Soumitra Lahiri modified the claim of SBI by excluding the component relating to the corporate guarantee, resulting in a substantial reduction in its voting share in the SCC from 67.87% to 5.62%. Thereafter, it was noted that Mr. Soumitra Lahiri also conducted sixth meeting of the SCC on 02.01.2026 without obtaining directions of the AA regarding such modification.

2.1.8 In view of the foregoing, the Board held a *prima facie* view that Mr. Soumitra Lahiri had contravened Regulation 31(3) of the Liquidation Regulations read with Clause 14 of the Code of Conduct specified in First Schedule to IBBI (Insolvency Professionals) Regulations, 2016 (IP Regulations).

Submissions by Mr. Soumitra Lahiri.

2.1.9 Mr. Soumitra Lahiri submitted that SBI has already filed IA No. 1259 of 2025 under Section 42 of the Code before the AA, specifically challenging decision of Mr. Soumitra Lahiri to disallow its additional claim of Rs. 840,70,73,547.18/- on account of a purported corporate guarantee given by the CD in respect of its group entity, Shree Mahalaxmi Corporation Private Limited. The petition and its supporting pleadings substantially overlap with the

factual allegations and issues set out in Point No. 1 and Point No. 2 of the SCN and is under consideration of the AA under Section 60(5) of the Code.

2.1.10 Mr. Soumitra Lahiri submitted that SBI filed its claim of Rs. 19,80,41,869/- during CIRP and intentionally did not claim the amount due on account of Corporate Guarantee of Shree Mahalaxmi Corporation Private Limited.

2.1.11 He submitted that in case a resolution plan would get approved under Section 31 of the Code in the matter of CIRP of Manglam Fiscal Services Private Limited, SBI would have been eligible to receive resolution amount commensurate with the claim filed which was only Rs. 19,80,41,869/-.

2.1.12 He submitted that SBI took this calculated risk because it was more than certain that no resolution will happen in the case of Manglam Fiscal Services Private Limited and the opportunity of recovery would only arise at the time of Liquidation, and thus, it would be wise to inflate the claim during Liquidation to maximize gain. In other words, SBI did not initiate CIRP of Manglam Fiscal Services Private Limited with clean hands. The initiation of CIRP was solely for the purpose of recovery, which was an abuse of the law and frankly speaking attract section 65 of the Code.

2.1.13 He submitted that from the documents handed over by the erstwhile Liquidator, he noticed the claim documents received from Financial Creditors and Operational Creditors but there was no record of any report being filed with the AA under sub regulation (2) of regulation 31 of the Liquidation Regulations, 2016. However, an email dated 19.04.2025 from the erstwhile Liquidator addressed to all creditors informing them about their respective claim.

2.1.14 He submitted that in the 3rd SCC meeting held on 19.05.2025, SBI drew his attention to the claim submitted by them in Form D dated 21.03.2025 which showed total amount claimed as under:

Due from Manglam Fiscal Services Private Limited: Rs. 24,39,20,845.30
Due on account of Corporate Guarantee executed by the corporate debtor pertaining to Shree Mahalaxmi Corporation Private Limited: Rs. 840,70,73,547.18
Totaling: Rs. 865,09,94,392.48

2.1.15 Mr. Soumitra Lahiri submitted that he reconstituted the claim admission and informed all the creditors *vide* email of 21.05.2025. With this revision, the claim of SBI increased to Rs.8,65,09,94,392.47/-., He submitted that SBI's Form D had included claim of corporate guarantee for facilities availed by Shree Mahalaxmi Corporation Pvt. Ltd. He was bound to re-verify the claim under Regulation 30 of Liquidation Regulation and ARCIL has raised no objection; and that a guarantor's co-extensive liability with the principal borrower is well settled by Hon'ble Supreme Court and Hon'ble NCLAT.

2.1.16 Thereafter, the claim reduced back to Rs.24,39,20,845.30/- on 08.07.2025. He submitted that this was necessitated by NCLAT's judgement dated 03.07.2025 in *Moneywise Financial*

Services Pvt. Ltd. v. Arunava Sikdar, wherein it was held that even where a guarantee exists, the claim can be rejected, if the right to enforce it has not been crystallized, or if admitting it would result in unjust enrichment or procedural abuse and a financial creditor cannot be allowed to enforce the same claim in multiple CIRPs without proper adjustment or coordination. He submitted that this judgement having not been challenged in Supreme Court, hence it attained finality.

2.1.17 Mr. Soumitra Lahiri has filed additional submissions dated 21.08.2026 and reiterated that the matter is sub judice and placed on record copy of IA filed by SBI before the AA which is pending. He submitted that the DC may consider the pendency of such proceedings before AA and avoid a situation where conflicting factual findings are recorded on the same matrix and prayed that the DC dispose of the SCN, subject to his undertaking to keep the DC apprised of developments in the pending applications before the AA in CP (IB) No. 157/KB/2022.

2.2 **Contravention-II: Refusal to include agenda of replacement of liquidator as requested by majority stakeholder and time gap in conducting SCC meetings.**

2.2.1 Regulation 31A(11) of the Liquidation Regulations provides that the SCC may, by a vote of not less than sixty-six per cent and after recording reasons, propose replacement of the liquidator and file an application before the AA. Further, Regulation 31A(6) stipulates that the liquidator shall convene subsequent meetings of the SCC within thirty days of the previous meeting, unless extended by the SCC, and that at least one meeting shall be held in each quarter.

2.2.2 It was noted that the SBI holding 67.87% of the voting share requested for inclusion of an agenda item for replacement of Mr. Soumitra Lahiri as liquidator on 20.06.2025 and subsequently communicated reasons for the same on 25.06.2025. However, despite such request, Mr. Soumitra Lahiri proceeded to conduct the fifth meeting of the SCC on 01.07.2025 without placing the said agenda item for deliberation and voting. Instead, Mr. Soumitra Lahiri, in his reply, stated that in the said SCC meeting *"I asserted that since I had countered / challenged each of State Bank of India's allegations, let the Hon'ble Adjudicating Authority sagaciously decide as to whether the Liquidator should hold the post or step aside."*.

2.2.3 It was further noted that at the time of the fifth SCC meeting, SBI continued to hold majority voting share of 67.87% in the SCC. Thereafter, the sixth meeting of the SCC was convened on 02.01.2026, i.e., after a gap of more than six months, which is not in consonance with the timelines prescribed under Regulation 31A(6). In the intervening period, the voting share of SBI was reduced from 67.87% to 5.62%. It was noted that the agenda relating to replacement of Mr. Soumitra Lahiri as liquidator was placed in the sixth SCC meeting, however, by that time, the voting share of SBI was substantially reduced, thereby affecting the efficacy of such request.

2.2.4 In view of the foregoing, the Board held a *prima facie* view that Mr. Soumitra Lahiri has contravened Regulations 31A(6) and 31A(11) of the Liquidation Regulations read with Clause 14 of the Code of Conduct specified in First Schedule to IBBI (IP Regulations).

2.3 **Submissions by Mr. Soumitra Lahiri.**

2.3.1 Mr. Soumitra Lahiri submitted that from the documents received by erstwhile Liquidator during handover, he found one certificate from erstwhile RP stating that he was holding control and custody of the premises of the corporate debtor at Panagarh, District West Burdwan. Mr. Soumitra Lahiri visited the premises on 09.05.2025 and found that the front gate was painted in bold stating that the property belongs to State Bank of India. He entered the premises which was initially denied by the guards of SBI. On 15.05.2025, he received email from SBI stating that *"First and foremost, please be informed that the premises of Mangalam Fiscal Services Private Limited, located at Village – Beldanga, P.O. – Paschim Gangarampur, District – Paschim Bardhaman, are under the control and custody of SBI. Accordingly, I request an explanation as to how you entered the premises without obtaining prior permission from SBI."*

2.3.2 In third and fourth meetings of the SCC, he mentioned that security guards will be deployed and that the matter came under the absolute jurisdiction of the Liquidator. On 20.06.2025, he appointed M/s Dayal Security and emailed the work order to them marking a copy to SBI and ARCIL. He submitted that this lead to email from SBI on 20.06.2025 requesting to include agenda for *"Removal of Liquidator"* on the 5th SCC meeting. He replied the same day asking SBI to provide reasons for removal as it is contemplated by the proviso to Regulation 31A(11), and to allow him an opportunity to respond. On 25.06.2025, SBI furnished nine allegations to which he submitted a point-wise rebuttal on 28.06.2025. At the 5th SCC meeting held on 01.07.2025 he stated that, having countered each allegation, let the AA decide as to whether the Liquidator should hold the post or step aside.

2.3.3 He further submitted that Liquidation cost was not paid for a long time and it was paid only after filing contempt petition before AA and there was personalized vengeance against the Liquidator. On the six-month gap from 5th meeting of SCC held on 01.07.2025 to 6th meeting of SCC held on 02.01.2026, he cited unavailability of books of account, untraceable promoter directors, denial of control/custody of the liquidation estate, non-payment of liquidation costs. He further stated that since the matters is under consideration of the AA, he was not elaborating on the issues.

2.3.4 He submitted that as directed by AA *vide* its order dated 18.12.2025, he convened the sixth meeting of the SCC on 02.01.2026 with specific agenda of replacement of liquidator. He kept voting window open from 05.01.2026 to 13.01.2026. However, not a single vote was cast for replacement.

2.3.5 He submitted that on 17.02.2026, he filed an application before AA praying for accepting his resignation as Liquidator. Accordingly, the 7th SCC meeting was held on 19.02.2026 wherein he was replaced.

2.4 Analysis and Findings of the DC

2.4.1 The DC has considered the SCN, the reply of Mr. Soumitra Lahiri, his oral submissions made during the personal hearing on 18.08.2026, his additional written submissions dated 21.08.2026, and the documents furnished by him on 14.10.2026 and 22.10.2026 in response to the information sought from him on 13.10.2026.

2.4.2 The two contraventions alleged in the SCN arise out of the same set of events and within the same period. Contravention-I concerns the revisions of the admitted claim of SBI and the consequent alteration of its voting share in the SCC. Contravention-II concerns the non-placement of SBI's request for replacement of the Liquidator before the SCC and the failure to convene meetings of the SCC for six months. The voting share of SBI, which is the subject matter of the first contravention, determined whether SBI could carry a proposal for replacement of the Liquidator under Regulation 31A(11), which is the subject matter of the second contravention. It will be easier to appreciate the two contravention together as they are interlinked. The DC has, therefore, examined both the contraventions together by tracing the events in the order in which they occurred, and has recorded its findings on each contravention at the stage at which it arises.

Preliminary objection: pendency of proceedings before the AA

2.4.3 Mr. Soumitra Lahiri, in his reply and in his additional submissions dated 21.08.2026, contended that the subject matter of the SCN was under consideration of the AA in IA No. 1259/2025 filed by SBI under Section 42 of the Code, and requested the DC to dispose of the SCN subject to his undertaking to keep the DC apprised of the developments. The DC notes that the AA, *vide* order dated 11.09.2026, has dismissed IA No. 1259/2025 as infructuous, recording as under:

> *"a. It is submitted by Ld. Counsel appearing for the SBI that the application has become infructuous, since the claim has been admitted in full by the liquidator.*
> *b. Accordingly, this application is dismissed as infructuous."*

2.4.4 The ground of pendency, therefore, no longer survives. Further, the question of professional conduct falls within the disciplinary jurisdiction of the Board. The DC, accordingly, proceeds to examine the matter on merits.

Chronology of events

2.4.5 The relevant events, as borne out from the record, including the documents furnished by Mr. Soumitra Lahiri, are summarised in the table below.

Date	Remarks
03.10.2023	CIRP of the CD initiated on the application of SBI under Section 7 of the Code. SBI claimed Rs. 19,80,41,869/- as creditor of the CD (principal borrower). No claim was made on account of the corporate guarantee given by the CD for loans extended by SBI to SMCPL.
16.01.2025	Liquidation commenced and Mr. Vasudeo Agarwal was appointed as Liquidator in the matter.
17.03.2025	2nd SCC meeting held. Mr. Vasudeo Agarwal resigned, and Mr. Soumitra Lahiri was recommended for appointment as Liquidator by ARCIL.
21.03.2025	SBI submitted its claim in Form D in the liquidation for Rs. 24,39,20,845.30 (CD as principal borrower) plus Rs. 840,70,73,547.18 (corporate guarantee for SMCPL), totalling Rs. 865,09,94,392.48.
19.04.2025	The erstwhile Liquidator informed creditors of the admitted claims. SBI claim was admitted at Rs. 19,80,41,869/- (voting share 4.61%).
24.04.2025	Mr. Soumitra Lahiri was appointed Liquidator by AA.
09.05.2025	Mr. Soumitra Lahiri visited the premises of the CD and found the front gate marked as the property of SBI. Entry was initially denied and was permitted after he stated that he was a court officer.
12.05.2025	Mr. Soumitra Lahiri emailed SBI stating that he visited the premises of Mangalam the premises at Village Beldanga, P.O. – Paschim Gangarampur, which he had visited, are owned by the CD, form an integral part of the liquidation estate and is in the control and custody of the Liquidator with immediate effect.
13.05.2025	First revision. Claim of SBI revised to Rs. 24,39,20,845.30 on account of interest accrued during CIRP. Voting share rose from 4.61% to 5.62%. The Liquidator filed the list of stakeholders with the AA under Regulation 31 of the Liquidation Regulations.
15.05.2025	SBI emailed Mr. Soumitra Lahiri raising strong objection to the email of Liquidator dated 12.05.2025 and stated that the premises *"are under the control and custody of SBI"* and requested an explanation *"as to how you entered the premises without obtaining prior permission from SBI"*.
16.05.2025	Mr. Soumitra Lahiri emailed SBI stating that remarks that he needed permission of SBI to visit the premises of the Corporate Debtor is downright illegal and stated that SBI should refrain from making such aspersions in future to avoid serious legal consequences.
19.05.2025	The 3rd SCC meeting on 19.05.2025 was conducted where the liquidator placed quotations received from security agencies to deploy in the premise of the CD. The SCC decided to introspect and discuss in next SCC meeting.
21.05.2025	Second revision. On re-verification, Mr. Soumitra Lahiri admitted SBI's claim at Rs. 8,65,09,94,392.48, including the guarantee component, acknowledging the co-

	extensive liability of the guarantor. Voting share rose from 5.62% to 67.87%. The 4th and 5th SCC meetings (04.06.2025 and 01.07.2025 respectively) were conducted on this composition.
23.05.2025	The AA took on record the report regarding revision of claims filed on 13.05.2025 (IA No. 864/2025).
05.06.2025	4th SCC meeting conducted with this composition. In the said meeting, SBI apprised that the land of the CD is contiguous with the premises of SMCPL and share a common boundary wall. SBI has deployed security guards to provide necessary protection, and additional deployment will lead to unnecessary cost duplication. ARCIL requested time to share its view after taking approval from higher authorities in the organisation.
09.06.2025	Mr. Soumitra Lahiri filed the report as specified in sub regulation (3) of regulation 31 read with regulation 31A of the Liquidation Regulations for second revision before the AA on 09.06.2025.
12.06.2025	The report filed under Regulation 31(3) of Liquidation Regulations for second revision was taken on record by the AA.
20.06.2025	Liquidator issued work order for deployment of security guards at the premises. Same day, SBI, holding 67.87% voting share, requests inclusion of agenda item *"Replacement of Liquidator"* for the 5th SCC meeting, citing an earlier proposal minutised at the 2nd SCC meeting, and asks that the meeting (fixed for 25.06.2025) be rescheduled to 26.06.2025.
20.06.2025	Liquidator replies same day requesting to provide reasons for replacement, citing Regulation 31A(11) of Liquidation Regulations and natural justice, and calls upon SBI to specify its reasons for the proposed replacement.
25.06.2025	SBI furnishes nine reasons for the proposed replacement.
26.06.2025	Liquidator replied to SBI characterising the reasons as "allegations" rather than “reasons” and asserted a right to defend himself. Mr. Soumitra Lahiri unilaterally adjourned the 5th SCC meeting to 01.07.2025.
26.06.2025	SBI objects to the adjournment, states its email dated 25.06.2025 already complied with the reasons requirement, and asks the Liquidator to convene the meeting same day or by the next day.
26.06.2025	Liquidator declines to advance the date of meeting, asserting that he has the right to respond in a reasonable time and confirms that the 5th meeting will proceed on 01.07.2025.
28.06.2025	Liquidator sends a point-wise rebuttal to SBI's nine reasons/allegations, objects to the replacement proposal, and raises counter-issues regarding SBI's claim conduct and the disputed property.
01.07.2025	5th SCC meeting held, the replacement item is not placed as a separate agenda item but it was recorded under "*any other matter,"* noting the communication between SBI and Liquidator regarding replacement agenda and it was recorded that *“In the meeting State Bank of India and the Liquidator agreed that difference of opinion on professional approach as well as legal point of view can always happen between two parties which may be resolved through mutual discussions.”*

03.07.2025	NCLAT delivered its judgment in Moneywise Financial Services Pvt. Ltd. v. Mr. Arunava Sikdar, Company Appeal (AT) (Ins.) No. 310 of 2024.
05.07.2025	SBI emailed Liquidator stating that some important discussions which took place in the meeting of the SCC were not included in the minutes and requested to incorporate the same.
08.07.2025	Third revision. Liquidator declined SBI's request on the minutes. Same day, claim of SBI reduced to Rs. 24,39,20,845.30, excluding the guarantee component, relying on judgment dated 03.07.2025 by NCLAT in Moneywise Financial Services Pvt. Ltd. v. Mr. Arunava Sikdar.
09.07.2025	Mr. Soumitra Lahiri filed application bearing IA 1135/2025 before AA to take on record list of Stakeholder. No direction passed by the AA during his tenure. The said application was disposed of only on 14.10.2026.
29.07.2025	SBI filed application bearing IA 1259/2025 before AA challenging the decision of Liquidator of revising the claim of SBI and for not placing replacement agenda in the 5th SCC meeting held on 01.07.2025.
18.12.2025	The AA on oral request of SBI, directed to convene SCC meeting. Following was recorded in the order *"Let a meeting be held at the earliest preferably within a period of 10 (ten) days from today and the progress in the matter be indicated by way of an appropriate application on the next date of hearing."*
19.12.2025	Mr. Soumitra Lahiri emailed SBI asking whether any agenda item needs to be included in meeting and if it is with respect to 31A (11) of Liquidation Regulations (replacement of Liquidator), reasons for the same may be informed.
02.01.2026	6th SCC meeting was held where resolution for Replacement of Liquidator was placed. In the said agenda, it was stated by SBI that they had finalized another IP Mr. Vijender Sharma, having registration number IBBI/IPA-003/IP-N00003/2016-2017/10022. However, no vote was cast by any SCC members. It is pertinent to note that SBI was having only 5.62% voting share at that time.
21.01.2026	SBI wrote to Liquidator stating to revise minutes to incorporate some portion with respect to the payment of cost and further stated that they were not able to vote due to delay in obtaining required approval from other SCC member from their end and requested to convene another SCC meeting with the same agenda of replacement of liquidator.
27.01.2026	Liquidator replied and stated that *"I do not know whether you have been authorized by senior authority of your bank to communicate with the liquidator and/or to discuss the Liquidation of Manglam Fiscal Services Private Limited."* Further, after relying on 31A (6) rejected the request to convene the SCC meeting on behest of SBI who was having 5.62% voting shares at that time.
27.01.2026	SBI wrote to Liquidator citing SBI Act and Regulations which provides that no specific or separate authorisation is required of any bank officer. It was further stated that regarding the requirement of minimum voting share for placement of agenda, a request will be sent by ARCIL as well.
13.02.2026	ARCIL (having 83.16% voting share) wrote to Liquidator requesting to convene SCC meeting with agenda regarding replacement of Liquidator.

17.02.2026	Liquidator filed IA No. 253/2026 seeking to be relieved as Liquidator.
19.02.2026	7th SCC meeting was held wherein resolution of replacement was placed and was approved with 88.78% voting shares. The said resolution was approved both by SBI and ARCIL having 5.62% and 83.16% voting percentage respectively.
02.04.2026	IA 451/2026 was filed by SBI. In para 7 of the application, it is stated that *"7. The justifiable reasons for which the Stakeholder's Consultation voted to replace the liquidator and appoint Mr. Vijender Sharma as the liquidator are as follows:* *a…* *e. Without prejudice to the aforesaid and in addition to the structural and commercial considerations, it is submitted that there has been a material breakdown in the working relationship between the Liquidator and the stakeholders, particularly the Stakeholders' Consultation Committee, which has adversely impacted the smooth conduct of the liquidation process. In this regard, it is pertinent to note that various communications exchanged between the Liquidator and the representatives of the Stakeholders' Consultation Committee.* *copy of such communication is annexed hereto and marked as Annexure E, demonstrate:* *i. adoption of an adversarial and non-cooperative stance by the Liquidator;* *ii. categorical assertions by the Liquidator that the Stakeholders' Consultation Committee is a mere advisory body having "no say" in key aspects of the liquidation process;* *iii. use of intemperate and inappropriate language, including issuance of unwarranted warnings and personal remarks, which are inconsistent with the neutrality and fiduciary role expected of a Liquidator under the Insolvency and Bankruptcy Code, 2016.* *f. It is submitted that such conduct has resulted in a complete loss of confidence of the stakeholders in the present Liquidator and has materially hindered coordination, which is essential for an efficient liquidation process.*
09.06.2026	The AA replaced Mr. Soumitra Lahiri with Mr. Vijender Sharma in IA 253/2026 filed by Mr. Soumitra Lahiri and IA 451/2026 filed by SBI
11.09.2026	IA 1259/2025 was dismissed as infructuous and disposed of on the ground that Liquidator has admitted the claim of SBI in full. The relevant extract is as under. *"a. It is submitted by Ld. Counsel appearing for the SBI that the application has become infructuous, since the claim has been admitted in full by the liquidator.* *b. Accordingly, this application is dismissed as infructuous."*

2.4.6 The DC now examines the events in the order in which they occurred.

(A) Claims at the commencement of liquidation and the first list of stakeholders (January – May 2025)

2.4.7 SBI had initiated the CIRP of the CD and had filed a claim of Rs.19,80,41,869/- as a financial creditor of the CD as principal borrower. It did not raise any claim on account of the corporate guarantee given by the CD for the loans extended by SBI to SMCPL. Upon commencement of liquidation, SBI, on 21.03.2025, submitted its claim in Form D for Rs.865,09,94,392.48, comprising Rs.24,39,20,845.30 due from the CD as principal borrower and Rs.8,40,70,73,547.18 on account of the corporate guarantee. The erstwhile Liquidator, by email dated 19.04.2025, informed the creditors of the admitted claims, in which the claim of SBI was shown at Rs.19,80,41,869/- with a voting share of 4.61%. Mr. Soumitra Lahiri, who took charge as Liquidator pursuant to the order of the AA dated 24.04.2025, has stated that no list of stakeholders had been filed with the AA by the erstwhile Liquidator, and nothing on record indicates otherwise.

2.4.8 On 13.05.2025, Mr. Soumitra Lahiri filed before the AA a report on compilation of the list of stakeholders in conformity with Regulation 31 of the Liquidation Regulations, in which he admitted the claim of SBI at Rs.24,39,20,845.30, being the amount due from the CD including the interest accrued during the CIRP period, while leaving out the guarantee component. The voting share of SBI became 5.62%. The AA took the report on record in IA No. 864/2025 vide order dated 23.05.2025. The 3rd SCC meeting held on 19.05.2025 was conducted on the basis of this list.

2.4.9 The SCN treats this as the first revision of the claim of SBI made without approaching the AA. Regulation 31(3) of the Liquidation Regulations provides as under:

> *"(3) The liquidator may apply to the Adjudicating Authority to modify an entry in the list of stakeholders filed with the Adjudicating Authority, when he comes across additional information warranting such modification, and shall modify the entry in the manner directed by the Adjudicating Authority."*

2.4.10 The provision governs the modification of an entry in a list of stakeholders already filed with the AA. Since no list had been filed by the erstwhile Liquidator, the list filed by Mr. Soumitra Lahiri on 13.05.2025 was the first list of stakeholders before the AA, and the admission of the claim of SBI at Rs.24,39,20,845.30 was an entry in that list and not a modification of an entry in an earlier one. The email of the erstwhile Liquidator dated 19.04.2025 was not a list filed with the AA. The DC, therefore, does not find a contravention of Regulation 31(3) in respect of the first revision.

2.4.11 The DC also notes that dispute arose between Mr. Soumitra Lahiri and SBI over the control and custody of the land of the CD at Panagarh. He visited the premises on 09.05.2025, asserted by his email dated 12.05.2025 that the land has to be in the control and custody of the Liquidator, SBI objected to his entry on 15.05.2025, and he responded on 16.05.2025

asking SBI to refrain from such aspersions to avoid serious legal consequences. The DC does not examine the merits of this dispute, which is not the subject matter of the SCN, but notes it as the backdrop against which the relationship between the Liquidator and SBI deteriorated in the weeks that followed.

(B) Admission of the guarantee claim: the second revision (May – June 2025)

2.4.12 In the 3rd SCC meeting held on 19.05.2025, SBI pressed for admission of the guarantee component of its claim. Two days later, on 21.05.2025, Mr. Soumitra Lahiri informed all the stakeholders through email that the claim of SBI had been recasted to Rs.865,09,94,392.48, on the ground that the liability of a guarantor is co-extensive with that of the principal borrower. The voting share of SBI rose from 5.62% to 67.87%, giving SBI, on its own, more than the sixty-six per cent of the voting share required under Regulation 31A(11) to propose replacement of the liquidator. The 4th SCC meeting was held on 05.06.2025 with this composition.

2.4.13 Mr. Soumitra Lahiri has submitted that this modification was duly reported to the AA. The record shows that his application under Regulation 31(3), which is dated 29.05.2025, was e-filed on 09.06.2025, and the AA took the admitted claims on record in IA No. 941/2025 vide order dated 12.06.2025. The application itself states that the Liquidator was "praying before the Adjudicating Authority to modify an entry in the list of stakeholders". The modification had, however, already been communicated to the stakeholders on 21.05.2025 and acted upon at the 4th SCC meeting on 05.06.2025, before the application was even filed. Regulation 31(3) contemplates the reverse sequence, namely, an application to the AA first and modification thereafter in the manner directed by the AA. To this extent, the second revision did not conform to Regulation 31(3). The DC, however, notes that the application followed shortly thereafter and that the AA took the revised list on record on 12.06.2025, so that when the 5th SCC meeting was held on 01.07.2025, the list on which SBI held 67.87% of the voting share was the list on the record of the AA.

2.4.14 The DC also notes that, in his reply, Mr. Soumitra Lahiri has stated that the sudden appreciation of the claim of SBI did not appear to him commercially ethical and has contended that SBI deliberately kept the guarantee claim out of the CIRP, which he termed an abuse of process attracting Section 65 of the Code. Yet he admitted the claim after verification and conducted the 4th and 5th SCC meetings on that basis. If he held such reservations, the proper course was to reflect them in his decision on the claim or to seek directions of the AA at that stage, rather than to admit the claim and reverse it later.

(C) SBI's request for replacement of the Liquidator and the 5th SCC meeting (June – July 2025)

2.4.15 The 5th SCC meeting which was originally convened for 19.06.2025 was deferred to 25.06.2025 at the request of ARCIL. On 20.06.2025, Mr. Soumitra Lahiri issued a work order to a security agency for deployment of guards at the premises of the CD, marking a copy to SBI and ARCIL. On the same day, SBI, then holding 67.87% of the voting share, requested that the item "Replacement of Liquidator" be included in the agenda of the 5th SCC meeting and that the meeting be held on 26.06.2025. Mr. Soumitra Lahiri replied the same day asking SBI to state its reasons, citing Regulation 31A(11) of Liquidation Regulations. SBI furnished nine reasons on 25.06.2025, including deficit of trust between the liquidator and lenders, liquidator not acting fairly, unilateral deployment of security guards at a disputed/ED-attached property, disproportionate liquidation-cost claims (with reference to the Space Matrix account), acting against stakeholder interest, use of defamatory language, filing of litigation without SCC consultation, and a proposal for a common liquidator across the Shree Mahalaxmi Corporation Pvt Ltd group of accounts. On 26.06.2025, Mr. Soumitra Lahiri termed them as "*allegations*" and adjourned the meeting to 01.07.2025, declining SBI's request to hold it on the same day or the next day. On 28.06.2025, he sent a point-wise rebuttal, in which he also stated: *"Had State Bank of India politely requested me to move out of being the Liquidator of Manglam Fiscal Services Private Limited, I might have agreed to its request. But causing hindrance to the liquidation process and casting baseless allegations do not display a behavior becoming the stature of a bank like State Bank of India."*

2.4.16 In the 5th SCC meeting held on 01.07.2025, the proposal was not placed before the SCC for deliberation and vote. The minutes prepared by Mr. Soumitra Lahiri record, under the item "any other matter", that *"Since State Bank of India cast allegations, the liquidator raised objections to the proposal of Replacement of Liquidator and declined to alter the agenda as suggested by State Bank of India."* The minutes further record that both sides *"agreed to move forward to reach an amicable settlement post 08th July 2025"*. SBI, by email dated 05.07.2025, sought incorporation of following in the minutes: -

"After the call of participants introduced themselves and the meeting started the liquidator immediately informed the lenders that since he is the Chairman of the meeting, he has decided not to have any discussion on the issue of his removal/ replacement of liquidator proposed by the SBI (vide mail dated 20.06.2025). The representatives of SBI then enquired about the provision which authorizes the liquidator to not to include as an agenda proposed by a SCC member, particularly one creditor who is having majority voting share (67.87%) and say in the meeting. To this liquidator simply reiterated his earlier stand that Regulations provide that liquidator will be chairman of the meeting and as chairperson he has right to decide what to discuss and what not to discuss. The Ld. Liquidator also informed the house

that he has written many books on IBC and he knows how to handle a meeting under the Code. He also advised the members of SCC that they were free to challenge his decision as per law.

At one point in the meeting, it was enquired by the representatives of SBI that why applications are being filed by liquidator against SBI and its officials without first deliberating the issues in SCC, particularly when Regulations provide that SCC shall be consulted before institution of a legal proceeding. To this liquidator did not give clear answer and dropped some section of IBC to intimate the house that the consultation of SCC is in any manner not binding on liquidator.

Representative of SBI informed the house that they would not bear expenses for any litigation brought by liquidator (particularly against SBI). To this liquidator informed that matter will be decided by Ld. Tribunal where applications have been filed"

However, Mr. Soumitra Lahiri declined the request to modify the minutes on 08.07.2025.

2.4.17 Regulations 31A(6) and 31A(11) of the Liquidation Regulations provide as under:

"31A. Stakeholders' consultation committee.

....

(6) The liquidator shall convene the first meeting of the consultation committee within seven days of the liquidation commencement date and may convene other meetings, if he considers necessary, on a request received from one or more members of the consultation committee:

Provided that when a request is received by the liquidator from members, individually or collectively, having at least thirty three percent of the total voting rights, the liquidator shall mandatorily convene the meeting.

Provided further that the liquidator shall convene subsequent meetings within thirty days of the previous meeting, unless the consultation committee has extended the period between such meetings:

Provided further that there shall be at least one meeting in each quarter.

....

(11) The consultation committee, after recording the reasons, may by a majority vote of not less sixty-six per cent., propose to replace the liquidator and shall file an application, after obtaining the written consent of the proposed liquidator in Form AA of the Schedule II, before the Adjudicating Authority for replacement of the liquidator:

Provided that where a liquidator is proposed to be replaced, he shall-

(a) continue to work till his replacement; and

(b) be suitably remunerated for work performed till his replacement."

2.4.18 Regulation 31A(6) of Liquidation Regulations provides for convening of meeting, on a request received from SCC members individually or collectively, having at least 33 per cent voting share. Regulation 31A (11) further provides that the consultation committee, after recording the reasons, by a majority vote of not less sixty-six per cent, replace the Liquidator and the final decision rests with the AA. The liquidator, who convenes and chairs the meetings, has no role in deciding whether such a proposal deserves to be considered or not. Under the first proviso to Regulation 31A(6), a request from members holding at least thirty-three per cent of the voting rights obliges the liquidator to convene a meeting. In this case, since a member holding 67.87% of the voting share requested the Liquidator to convene a meeting to place an agenda of replacement, the Liquidator was duty bound to place that agenda in the meeting. The requirement of *"recording the reasons"* is a requirement for the SCC when it votes. In any case, SBI had furnished its reasons on 25.06.2025, six days before the meeting. However, the Liquidator termed these reasons as allegations and furnished replies to these reasons and did not place the agenda in the meeting. Regulation 31A(6) does not require the stakeholder to furnish any reasons for placing an agenda. Further, even at the time of voting by the SCC, although reasons are to be recorded for replacement of the liquidator, it is not open to the liquidator to judge the sufficiency of such reasons. The DC notes that a liquidator is free to place his objections before the SCC when it deliberates on the proposal, and before the AA when the application for replacement is considered. The right to object, however, does not extend to keeping the proposal off the agenda. By deciding for himself that the reasons were "allegations" and declining to alter the agenda, Mr. Soumitra Lahiri effectively decided a question that the regulations leave to the SCC and the AA and did so on a proposal for his own replacement, in which he was personally interested. The DC, accordingly, finds that Mr. Soumitra Lahiri failed to comply with Regulation 31A(11) read with Regulation 31A(6) of the Liquidation Regulations.

(D) Exclusion of the guarantee claim: the third revision (July 2025)

2.4.19 The DC notes that Mr. Soumitra Lahiri himself, on 21.05.2025, modified the list of stakeholders by admitting the guarantee component of SBI's claim, and increased SBI's voting share from 5.62% to 67.87%. The law on the liability of a guarantor was already well settled by the Hon'ble Supreme Court in *Laxmi Pat Surana v. Union Bank of India and Another, Civil Appeal No. 2734 of 2020*, decided on 26.03.2021, where it was held as under:

"19. Indubitably, a right or cause of action would enure to the lender (financial creditor) to proceed against the principal borrower, as well as the guarantor in equal measure in case they commit default in repayment of the amount of debt acting jointly and severally. It would still be a case of default committed by the guarantor itself, if and when the principal borrower fails to discharge his obligation in respect of amount of debt. For, the obligation of the guarantor is coextensive and coterminous with that of the principal borrower to defray the debt, as predicated in Section 128 of the Contract Act."

2.4.20 As stated above, the liability of the guarantor is coextensive with that of the principal borrower. The Hon'ble Supreme Court further held in *Maitreya Doshi v. Anand Rathi Global Finance Ltd. and Another, Civil* Appeal *No. 6613 of 2021*, decided on 22.09.2022, as under : -

" 37. If there are two borrowers or if two corporate bodies fall within the ambit of corporate debtors, there is no reason why proceedings under Section 7 of the IBC cannot be initiated against both the Corporate Debtors. Needless to mention, the same amount cannot be realised from both the Corporate Debtors. If the dues are realised in part from one Corporate Debtor, the balance may be realised from the other Corporate Debtor being the co-borrower. However, once the claim of the Financial Creditor is discharged, there can be no question of recovery of the claim twice over"

2.4.21 In view of the above judgments of the Hon'ble Supreme Court, the law is well settled that a financial creditor may proceed against both the principal borrower and the guarantor, the safeguard being that the amount realised does not exceed the total claim. Further, the law does not bar filing of guarantee claim before the principal borrower as well as guarantor. It only prevents realisation beyond the claim amount. In the present case, nothing on record indicates any realisation in the process of SMCPL, so no occasion for double recovery had arisen. In view of this settled position of law, Mr. Soumitra Lahiri himself first admitted the guarantee component of the claim filed by SBI.

2.4.22 On 03.07.2025, the Hon'ble NCLAT delivered its judgment in *Moneywise Financial Services Pvt. Ltd. v. Arunava Sikdar*, Company Appeal (AT) (Ins.) No. 310 of 2024. On 08.07.2025, the very date after which the parties had agreed at the 5th SCC meeting to explore an amicable settlement, and on the same day on which he declined SBI's request to correct the minutes, Mr. Soumitra Lahiri revised the claim of SBI back to Rs. 24,39,20,845.30, excluding the guarantee component, relying on the said judgment. The voting share of SBI fell from 67.87% to 5.62%. With this, SBI, which a week earlier held on its own the majority required under Regulation 31A(11) for replacement of liquidator, was unfairly prevented by the liquidator from proceeding with the same.

2.4.23 On 09.07.2025, a day after giving effect to the revision, Mr. Soumitra Lahiri filed an application before the AA under Regulation 31(3), being IA No. 1135/2025. The AA did not pass any direction on the application during his tenure. It was disposed of on 14.10.2026, after the claim of SBI had been again revised and admitted by his successor on 14.10.2026. In the meantime, Mr. Soumitra Lahiri conducted the 6th SCC meeting on 02.01.2026 and the 7th SCC meeting on 19.02.2026 on the basis of the reduced voting share of SBI. Thus, the modification of voting shares was given effect to before any directions were passed by the AA on the application filed for modification of claim.

2.4.24 The relevant Regulation 31(3) of Liquidation Regulations is reproduced as under: -

"31. List of stakeholders

...

(3) The liquidator may apply to the Adjudicating Authority to modify an entry in the list of stakeholders filed with the Adjudicating Authority, when he comes across additional information warranting such modification, and shall modify the entry in the manner directed by the Adjudicating Authority."

2.4.25 The Liquidator has to apply to the AA to modify an entry in the list of stakeholders when he comes across additional information warranting such modification and shall modify the entry only in the manner directed by the AA. In the present case, the liquidator has modified the entry on his own without seeking the direction of AA to modify the entry. He has given effect to the modification even before the AA has taken on record the revised list of stakeholders.

2.4.26 Mr. Soumitra Lahiri submitted that the judgment in *Moneywise* constituted additional information warranting modification under Regulation 31(3). The DC has perused the judgment. It arose from an appeal under Section 61 of the Code against the dismissal of an application seeking admission of a claim of Rs. 14.59 crore against a corporate guarantor in its CIRP. The Hon'ble NCLAT rejected the claim as no guarantee deed or board authorisation was produced, the guarantee was never invoked, the claim was filed 388 days after the last date and after the CoC had approved the resolution plan, and the identical claim had already been admitted in the CIRP of the principal borrower without disclosure or adjustment. It observed that a financial creditor cannot enforce the same claim in multiple CIRPs without proper adjustment or coordination, and that simultaneous claims are permitted to the extent double recovery is avoided. Mr. Soumitra Lahiri has not been able to show how the facts of the present case relate to Moneywise. The judgment does not deal with Regulation 31(3) and nowhere holds that a liquidator may modify an entry in the list of stakeholders without the direction of the AA. There, the claim failed because the guarantee itself was not established, was never invoked, and was filed 388 days late after the CoC had approved the plan, and because the same claim had been admitted elsewhere without disclosure or adjustment. None of these features is present here - the existence of the guarantee was not in question, no issue of delay in filing the claim arises, it is not contended that the claim was inadmissible for want of invocation, Mr. Soumitra Lahiri had himself admitted the claim regarding the guarantee after verification, and nothing on record indicates any realisation in the process of SMCPL that could give rise to double recovery. What remains of Moneywise is the proposition that the same claim cannot be enforced in multiple proceedings without adjustment or coordination. This is the position already settled by the Hon'ble Supreme Court in *Laxmi Pat Surana* and *Maitreya Doshi*, from which the NCLAT did not depart. *Moneywise* therefore did not change the law in general and provided an exception in exceptional circumstances. Therefore, the proposition in *Moneywise* cannot be regarded as additional information warranting modification of the entry.

2.4.27 Even on his own reading, if he regarded the judgment as additional information, Regulation 31(3) required him to place it before the AA and abide by its directions. It did not permit him to modify the entry first and inform the AA thereafter.

2.4.28 The DC notes that the second and third revisions suffered from the same infirmity. On 21.05.2025, Mr. Soumitra Lahiri modified the list of stakeholders by admitting the guarantee component of SBI's claim, and increased SBI's voting share from 5.62% to 67.87%. The application seeking to place this modification before the AA was filed only on 09.06.2025 and was taken on record by the AA on 12.06.2025. Mr. Soumitra Lahiri conducted the 4th SCC meeting on 05.06.2025 with SBI's revised voting share of 67.87%, before any application was filed before the AA. Though the 5th SCC meeting on 01.07.2025 was conducted with revised voting share of 67.87% of SBI after the application in this regard was taken on record by the AA on 12.06.2025.

2.4.29 In the case of the third revision, Mr. Soumitra Lahiri modified the list of stakeholders on 08.07.2025, reducing SBI's voting share from 67.87% to 5.62%. He filed the application before the AA on 09.07.2025. The revised list was never taken on record by the AA during his tenure. Even so, he conducted the 6th SCC meeting on 02.01.2026 and the 7th SCC meeting on 19.02.2026 based on the revised voting share.

2.4.30 The DC accordingly finds that the second and third revisions of SBI's claim, and the consequent alteration of its voting share in the SCC, were given effect to without first applying to the AA and without the AA's direction, in contravention of Regulation 31(3) of the Liquidation Regulations. The contravention is graver in the case of the third revision, where the AA never took the revised list on record throughout his tenure, let alone direct the modification and so the 6th and 7th SCC meetings were nonetheless conducted based on that revision.

(E) No meeting of the SCC for six months (July 2025 – January 2026)

2.4.31 After the 5th SCC meeting held on 01.07.2025, no meeting of the SCC was convened until 02.01.2026, i.e., for six months. The second and third provisos to Regulation 31A(6) require the liquidator to convene a meeting within thirty days from the previous meeting, unless the SCC extends the period, and in any case to hold at least one meeting in each quarter. No extension was sought from or granted by the SCC, and no meeting was held in either of the quarters ending September 2025 and December 2025. In the minutes of the 6th SCC meeting, Mr. Soumitra Lahiri himself recorded that the gap exceeded thirty days and that the requirement of one meeting in each quarter had not been complied with, explaining that "*With liquidation process being deliberately obstructed, Liquidator did not convene any SCC meeting as that would not serve any purpose.*"

2.4.32 In his reply, Mr. Soumitra Lahiri attributed the gap to the unavailability of books of account, untraceable promoter directors, denial of control and custody of the liquidation estate by SBI, and non-payment of liquidation costs. These difficulties may explain the challenges he faced, but they are precisely the matters on which the SCC was meant to be consulted. Regulation 31A(6) does not make the holding of a meeting subject to the liquidator's assessment of its utility, and permits the interval to be extended only by the SCC. It is also significant that it was during this very period that the composition of the SCC stood altered by the third revision without any direction of the AA, and SBI's proposal for his replacement was not placed before the SCC. The meeting was eventually convened only after the AA, on 18.12.2025, on an oral motion of SBI, directed that a meeting be held preferably within ten days. Even then, on 19.12.2025, Mr. Soumitra Lahiri called upon SBI to furnish reasons again if it proposed an item under Regulation 31A(11).

2.4.33 In the 6th SCC meeting held on 02.01.2026, the resolution for replacement of the Liquidator was placed and kept open for voting from 05.01.2026 to 13.01.2026. All the members abstained. By then SBI held only 5.62% of the voting share, and the proposal which SBI could have carried on its own in July 2025 could not be carried. The DC, accordingly, finds that Mr. Soumitra Lahiri failed to comply with Regulation 31A(6) of the Liquidation Regulations.

(F) Subsequent events (January – October 2026)

2.4.34 On 21.01.2026, SBI requested another meeting with the same agenda. Mr. Soumitra Lahiri declined the request on 27.01.2026 on the ground that SBI did not hold thirty-three per cent of the voting rights, a threshold which SBI had ceased to meet only on account of the third revision. After ARCIL requested a meeting on 13.02.2026, Mr. Soumitra Lahiri filed IA No. 253/2026 before the AA on 17.02.2026 seeking to be relieved as Liquidator, and at the 7th SCC meeting held on 19.02.2026, the SCC resolved with 88.78% of the voting share to replace him. The AA replaced him with Mr. Vijender Sharma *vide* order dated 09.06.2026. The claim of SBI was thereafter admitted in full by the succeeding liquidator, and IA No. 1259/2025 of SBI for replacing liquidator was dismissed as infructuous on 11.09.2026.

2.4.35 The replacement which SBI sought on 20.06.2025, when it held the requisite majority, came about only about eight months later, and in the meantime the liquidation process remained stalled with no SCC meeting being conducted under a liquidator whose replacement had been sought by the majority stakeholder.

Conclusion

2.4.36 Seen as a whole, the sequence of events speaks for itself. The voting share of 67.87% was assigned to SBI by Mr. Soumitra Lahiri himself on 21.05.2025. On 20.06.2025, SBI, holding that share, sought his replacement. On 01.07.2025, he declined to place the proposal before

the SCC. On 08.07.2025, he declined to record SBI's version in the minutes and, on the same day, reduced SBI's voting share to 5.62% without approaching the AA for obtaining its directions for modification in the list of stakeholders. Thereafter, he did not convene any meeting of the SCC for six months until it was finally directed by the AA to convene the meeting. Each of these acts is, by itself, a departure from the process laid down in Regulations 31(3), 31A(6) and 31A(11) of the Liquidation Regulations. Taken together, their effect was to not allow SCC to take a decision which the regulations permit it to be taken, on a matter in which the Liquidator was personally interested. Such conduct falls short of the reasonable care and diligence expected of an insolvency professional.

2.4.37 In view of the foregoing, the DC holds the contravention.

3. Order.

3.1 In view of the foregoing, the DC in exercise of the powers conferred under section 220 of the Code read with Regulation 13 of the Inspection and Investigation Regulations, 2017 hereby suspends the registration of Mr. Soumitra Lahiri (Registration No. IBBI/IPA-001/IP-P00734/2017-2018/11232) for a period of two years. Further, in terms of Section 206 of the Code, Mr. Soumitra Lahiri shall not be eligible to continue his existing assignments.

3.2 In determining the quantum of punishment, the DC has considered the nature and gravity of the contraventions, the role of a liquidator under the Code and the impact of the conduct of Mr. Soumitra Lahiri on the liquidation process of the CD. A liquidator occupies the position of trust qua the stakeholders and accordingly conducts the liquidation process for the benefit of all stakeholders. The Stakeholders' Consultation Committee is the forum through which the stakeholders participate in the process and keep an oversight on important actions being taken by the liquidator. In the instant case, Mr. Soumitra Lahiri raised the voting share of SBI from 5.62% to 67.87% on 21.05.2025 without first approaching the AA. When SBI, holding that share, requested the placement of the agenda for replacement of Mr. Soumitra Lahiri, he did not place it before the SCC at the 5th SCC meeting held on 01.07.2025. Infact, on 08.07.2025 he reduced the voting share of SBI to 5.62% and took away the ability of SBI to carry the proposal for replacement. He then convened the next meeting only after more than six months when directed by the AA, by which time the proposal could no longer be carried. The DC has found that the increase and the subsequent reduction in the voting share were motivated with an intent to prevent his replacement. These are neither technical lapses nor errors of judgement. They are serious departures from the duties of a liquidator, spread across the revision of claims, the conduct of the SCC meetings and violation of provisions of Liquidation Regulations. They undermine the confidence of stakeholders in the SCC mechanism and the objective of the Code.

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

3.4 A copy of this order shall be sent to the CoC of all the corporate debtors in which Mr. Soumitra Lahiri is providing his services. The CoC of the respective corporate debtors shall replace Mr. Soumitra Lahiri with another Resolution Professional/Liquidator in terms of applicable provisions of the Code.

3.5 A copy of this order shall be forwarded to Indian Institute of Insolvency Professionals of ICAI (IIIPI) where Mr. Soumitra Lahiri is enrolled as a member.

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

3.7 Accordingly, the show cause notice is disposed of.

Sd/-
(Sandip Garg)
Whole Time Member
Insolvency and Bankruptcy Board of India

Dated: 12 November 2026
Place: New Delhi