**INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**
**(Disciplinary Committee)**

No. IBBI/DC/350/2026 03 November 2026

**ORDER**

This Order disposes of the Show Cause Notice (SCN) No. COMP-11011/75/2025-IBBI/1840/1762 dated 21.11.2025, issued to Shri Pathukasahasram Raghunathan Raman (P.R. Raman), who is an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (IBBI/Board) having Registration No. IBBI/IPA-002/IP-N00295/2017-18/10896 and a Professional Member of the ICSI Institute of Insolvency Professionals.

## 1. Background

1.1. The corporate insolvency resolution process (CIRP) of Hallmark Infrastructure Private Limited (Corporate Debtor/CD) commenced *vide* order of the National Company Law Tribunal, Chennai Bench (AA) dated 23.08.2024 on an application filed by Bank of India under Section 7 of the Insolvency and Bankruptcy Code, 2016 (Code). Shri P.R. Raman was appointed as Interim Resolution Professional (IRP) in the matter and was later confirmed as the Resolution Professional (RP).

1.2. IBBI received a complaint from Shri T. Ranganathan, Authorised Representative of the homebuyers of the CD, against Shri P.R. Raman regarding his conduct as RP in the CIRP of the CD. IBBI sought reply from Shri P.R. Raman on the complaint who submitted his replies *vide* emails dated 30.05.2025 and 04.08.2025. IBBI examined the allegations in the above complaint vis-à-vis the replies of Shri P.R. Raman and based on such examination, IBBI formed a *prima facie* opinion that Shri P.R. Raman had contravened provisions of the Code and Regulations made thereunder and accordingly issued the SCN to Shri P.R. Raman on 21.11.2025. Shri P.R. Raman submitted his reply to the SCN on 04.12.2025.

1.3. The SCN and its response by Shri P.R. Raman were referred to the Disciplinary Committee (DC) for disposal. Shri P.R. Raman availed the opportunity of personal hearing before the DC through virtual mode on 21.08.2026. The DC has considered the SCN, the reply to the SCN, oral and written submissions of Shri P.R. Raman, and proceeds to dispose of the SCN.

## 2. Alleged Contravention, submissions of Shri P.R. Raman and analysis and findings of the DC.

### 2.1 Failure to appoint Registered Valuers for the Asset class - Securities or Financial Assets.

2.1.1 Regulation 27(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) provides that, *"The resolution professional shall, within seven days of his appointment but not later than forty-seventh day from the insolvency commencement date, appoint two registered valuers to determine the fair value and the liquidation value of the corporate debtor in accordance with Regulation 35."*

2.1.2 In the present matter, as observed from the Form CIRP-3 filed by Shri P.R. Raman, two registered valuers were appointed for the asset class "Land & Building" on 08.10.2024. The provisional financials as on the insolvency commencement date (ICD) indicated value of the total assets of the CD to the tune of Rs.49.64 crore including financial assets under the heads such as Non-Current Investments, Long term loans and advances, Trade receivables etc. In the 5th CoC meeting held on 18.02.2025, the Authorised Representative of homebuyers informed the CoC that the homebuyers had unanimously proposed for the valuation of the financial assets. However, despite existence of such assets in financial statements of the CD and request made by the homebuyers, no registered valuer was appointed for the asset class "Securities or financial assets".

2.1.3 In response, Shri P.R. Raman submitted that one of the CoC members, viz., Bank of India (FC) requested to defer the discussion on valuation of these assets to the next meeting and that there was no further communication in this regard. This explanation is not consistent with the mandate of the Code. It is the duty of the RP to appoint registered valuers to secure determination of the fair value and liquidation value of the assets of the CD, as valuation is fundamental to the CoC's consideration of the resolution plans.

2.1.4 In view of the above, the Board had formed a *prima facie* view that Shri P.R. Raman had contravened the provisions of Sections 208(2)(a) and (e) of the Code, Regulation 27(1) of CIRP Regulations, Regulation 7(2)(a) and (h) of IP Regulations, read with Clause 14 of the Code of Conduct as specified in First Schedule of the IP Regulations.

**Submissions by Shri P.R. Raman.**

2.1.5 Shri P.R. Raman submitted that the CIRP of the CD commenced pursuant to the order of the AA dated 23.08.2024 and the copy of the said order was received by him by e-mail on 27.08.2024. He visited the registered office of the CD on the same day, where he met the director of the suspended board, Shri Anand Jain. During the said visit, he observed that the CD had not carried out any business operations since 2013, its books of account had not been audited for the Financial Year 2023-24, there were no employees, the premises were severely infested with termites due to prolonged closure, the physical records had been damaged and the Tally backup was found to be corrupted.

2.1.6 Shri P.R. Raman further submitted that he handed over a list of documents required for conducting the CIRP and requested the erstwhile management to furnish the same on the following day. He thereafter followed up the request through the e-mail reminders. Despite such repeated follow-ups, the financial statements for FY 2023-24 were furnished by the erstwhile management only on 02.12.2024. Shri P.R. Raman submitted that upon examination of the financial statements, it appeared that the CD did not have any actual or tangible financial assets, except an equity investment in M/s. Hallmark Living Space Private Limited (“HLSPL”) which was undergoing liquidation. Shri P.R. Raman submitted that a claim in respect of the said investment had already been submitted in the liquidation proceedings of HLSPL and the amount was awaited from the Liquidator in accordance with Section 53 of the Code. He further

submitted that the other financial assets reflected in the financial statements had, owing to the prolonged inactivity of the Corporate Debtor, effectively become bad and doubtful debts and were not written off from the books of account.

2.1.7 Shri P.R. Raman submitted that, in the 1st CoC meeting held on 23.09.2024, it was resolved to open a CIRP account with Bank of India, being the only financial institution and one of the Financial Creditors with which the CD had maintained a current account. However, despite repeated requests, Bank of India delayed the opening of the CIRP account on account of operational difficulties, and the account was ultimately opened only on 29.12.2024, i.e., nearly four months after the commencement of the CIRP. Shri P.R. Raman submitted that, during this period, no contribution was made by the CoC members/Financial Creditors, resulting in paucity of funds for conducting the CIRP and making payments to the professionals proposed to be appointed.

2.1.8 Shri P.R. Raman submitted that, in the 10th CoC meeting, he proposed the appointment of the registered valuers for the asset class "Securities or Financial Assets". However, the representative of Bank of India requested that the matter be deferred as internal approval was required. Thereafter, no further response was received from Bank of India and no other CoC member including the Authorised Representative of the homebuyers, who raised the present complaint, sought to revisit the matter.

2.1.9 Shri P.R. Raman further submitted that the financial assets reflected under the heads "Non-current Investments", "Long-term Loans and Advances", "Trade Receivables", etc., in the balance sheets appeared to exist only as book entries, as the CD had not undertaken any business activity for approximately ten years. Shri P.R. Raman further submitted that the position was further compounded by the non-availability of the books of account, including the soft copies of the accounts, which, according to the erstwhile management, had been damaged/destroyed due to termite infestation. Further, the aforesaid circumstances were duly brought to the notice of the AA in his report immediately upon assuming charge.

2.1.10 Shri P.R. Raman submitted that the investment in HLSPL, which was undergoing liquidation, had already been claimed before the Liquidator, while the remaining financial assets appeared to be bad and doubtful debts which ought to have been written off. However, these assets continued to be reflected in the books of the CD. In the absence of the books of account and supporting records, the existence and value of such assets could not be independently verified.

2.1.11 Shri P.R. Raman also submitted that, in view of the apparent non-existence of the assets, non-availability of supporting documents for inspection and verification by the valuers, paucity of funds, and the limited time available for completion of the CIRP, obtaining valuation reports for the asset class "Securities or Financial Assets" would not have served any meaningful purpose. Therefore, considering the facts and circumstances prevailing at the relevant time, registered valuers for the said asset class were not appointed.

**Analysis and Findings of the DC.**

2.1.12 Regulation 27(1) of the CIRP Regulations read as follows:-

> ***"27. Appointment of Professionals.***
> *(1) The resolution professional shall, within seven days of his appointment but not later than forty seventh day from the insolvency commencement date, appoint two sets of registered valuers to determine the fair value and the liquidation value in accordance with regulation 35."*

2.1.13 In the instant matter, the CIRP of the CD commenced on 23.08.2024 and, accordingly, the registered valuers were required to be appointed not later than the forty-seventh day, i.e. by 09.10.2024. The DC notes that although the financial statements of the Corporate Debtor reflected financial assets under various heads, including investments, loans and advances and trade receivables, no registered valuer was appointed for the asset class "Securities or Financial Assets" within the prescribed period. The issue of valuation of such financial assets was considered only in the 5th CoC meeting held on 18.02.2025, wherein the Authorised Representative of the homebuyers informed the CoC that the homebuyers had unanimously suggested that the financial assets be valued. Thus, the issue of appointment of valuers was taken up for consideration after the expiry of the statutory period prescribed under Regulation 27(1).

2.1.14 The DC further notes that during the 5th CoC meeting, Shri P.R. Raman explained the process of valuation of financial assets. The representative of Bank of India thereafter requested that the discussion on valuation be deferred to the next CoC meeting. However, there is nothing on record to indicate that, thereafter, Shri P.R. Raman took any effective step to appoint the registered valuers for the said asset class or to place the matter before the CoC again for consideration. The DC notes that in terms of the provisions of the afore-mentioned regulations, it is the statutory duty of the resolution professional to appoint registered valuers and he cannot escape from his duty citing deferment of issue by a CoC member. The DC also observes that even after the issue of valuation was specifically raised and the necessity of valuation was brought to the his attention, Shri P.R. Raman did not appoint the registered valuers.

2.1.15 The DC notes the submissions of Shri P.R. Raman that the financial assets were apparently only book entries, that the books and supporting records were not available, that the investment in HLSPL was already subject to liquidation proceedings, and that there was paucity of funds for conducting the CIRP. The DC also notes his submission that, in the prevailing circumstances, obtaining valuation reports for the financial assets would not have served any meaningful purpose.

2.1.16 The DC notes that the aforesaid circumstances cannot absolve Shri P.R. Raman from compliance with the specific statutory requirement under Regulation 27(1). The obligation to appoint registered valuers within the prescribed period is cast upon the RP and is not made contingent upon the prior availability of physical possession of the assets, availability of complete supporting documents, availability of CIRP funds, or an assessment by the RP as to whether the valuation would ultimately be useful. The issues relating to the existence, nature,

recoverability or value of the financial assets were matters which could appropriately be examined in the course of the valuation exercise. The absence of supporting records or Shri P.R. Raman's own assessment regarding the utility of valuation cannot, be treated as a ground for not undertaking the statutory process.

2.1.17 The DC further observes that the CIRP framework prescribes definite timelines for various actions to be undertaken by the RP. The requirement of timely valuation is intended to ensure that the fair value and liquidation value of the Corporate Debtor are determined in a structured and objective manner and are available for consideration during the CIRP. In the present case, the appointment of valuers for the relevant asset class was not undertaken within the prescribed period and the issue was considered only at a much later stage. Even thereafter, no effective follow-up action was taken for appointment of the registered valuers.

2.1.18 In view of the foregoing, the DC finds that Shri P.R. Raman did not appoint the registered valuers for the asset class "Securities or Financial Assets" at any stage of the CIRP, much less within the period prescribed under Regulation 27(1) of the CIRP Regulations. Accordingly, the DC holds Shri P.R. Raman in contravention of provisions of Section 208(2)(a) and (e) of the Code, Regulation 27(1) of the CIRP Regulations, Regulation 7(2)(a) and (h) of the IP Regulations read with Clause 14 of the Code of Conduct specified in the First Schedule of the IP Regulations.

**2.2 Failure to facilitate meeting of the CoC with the Registered Valuers.**

2.2.1 The proviso to Regulation 35(1) of CIRP Regulations provides that the resolution professional shall facilitate a meeting wherein registered valuers shall explain the methodology being adopted to arrive at valuation to the members of the CoC before computation of estimates.

2.2.2 It was observed that in the 5$^{th}$ CoC meeting held on 18.02.2025, Shri P.R. Raman informed the CoC members that once the Information Memorandum (IM) and valuation reports were circulated, a meeting with the valuers shall be scheduled for discussion. Further, the minutes of the 10$^{th}$ CoC meeting held on 04.07.2025 recorded that the valuation report was pending for sharing with Bank of India due to non-submission of the confidentiality undertaking by the creditor. Shri P.R. Raman further submitted that he had proposed a presentation by the registered valuers before the CoC, however no such meeting could be facilitated as the CoC members did not show interest. Regulation 35(1) casts a clear duty upon the RP to facilitate a meeting of the CoC with the registered valuers for explaining the valuation methodology prior to computation of estimates. The objective of this provision is to ensure that the CoC is apprised of the methodology adopted by valuers before valuation figures are finalised. There is no requirement under the Code or Regulations to obtain confidentiality undertakings for arranging meeting with the registered valuers for explaining the methodology adopted by the valuers for computing the estimates. Further, there was no material on record to indicate the efforts taken by Shri P.R. Raman to facilitate such a meeting even after circulation of the valuation reports.

2.2.3 In view of the above, IBBI had formed a *prima facie* view that Shri P.R. Raman had contravened the provisions of Sections 208(2)(a) and (e) of the Code, proviso to Regulation 35(1) of CIRP

Regulations, Regulation 7(2)(a) and (h) of IP Regulations, read with Clause 14 of the Code of Conduct specified in IP Regulations.

**Submissions by Shri P.R. Raman.**

2.2.4 Shri P.R. Raman submitted that the valuation reports were available as early as 26.12.2024 and were communicated to all members of the CoC during the 3rd CoC meeting held on 27.12.2024. Shri P.R. Raman further submitted that the Non-Disclosure Agreement (NDA) format for obtaining the valuation reports was circulated to all CoC members by e-mail on 27.12.2024. However, the CoC members did not promptly execute the NDA to get the valuation reports. The Authorised Representative (AR) of the homebuyers submitted the NDA on 15.01.2025 and obtained the valuation reports on 24.04.2025, whereas Bank of India, the applicant and sole financial institution in the CoC, submitted its NDA only on 03.07.2025.

2.2.5 Shri P.R. Raman further submitted that, at the time of their appointment, he had informed the registered valuers that they would be required to present their valuation methodology before the CoC members as and when invited. However, since the time available for completion of the CIRP was running out and there was a lack of enthusiasm on the part of the CoC members, the meeting of the valuers with the CoC could not be facilitated. He submitted that the non-appearance of the registered valuers before the CoC did not cause any prejudice to the resolution process of the CD, as both valuers were experienced professionals and had prepared the valuation reports with due expertise.

2.2.6 Shri P.R. Raman submitted that in the aforesaid circumstances, he made an informed decision not to facilitate the appearance of the registered valuers before the CoC and that such decision was taken in good faith and in the interest of the CIRP.

**Analysis and Findings of the DC.**

2.2.7 The proviso to Regulation 35(1) of the CIRP Regulations requires the Resolution Professional to facilitate a meeting of registered valuers with the CoC where the registered valuers would explain to the members of the CoC the methodology they are adopting for valuation, before the estimates are computed. The purpose is to give the CoC an opportunity to understand, and if necessary question, the valuation methodology. The fair value and the liquidation value bear directly on the CoC's evaluation of resolution plans and its commercial decisions, so the requirement is substantive. The provision uses the word "shall" and therefore it places the obligation squarely on the RP.

2.2.8 The DC has considered Shri P.R. Raman's submission that the meeting could not be held because the CoC members delayed in executing the NDA, lacked enthusiasm, and because the time available in the CIRP was running out. However, he did not produce any email, communication to the valuers or the CoC minutes showing that a date was fixed for the meeting, that the CoC members or the valuers were invited, or that any member declined to attend. On the contrary, the minutes show that Shri P.R. Raman assured the CoC at the 2nd CoC meeting held on 03.12.2024 and again at the 5th CoC meeting held on 18.02.2025 that the valuers would be called upon to present before the CoC, but no such meeting was ever held. He was, therefore,

conscious of the requirement. As regards the NDA, a confidentiality undertaking is a condition for a CoC member to receive the fair value and liquidation value; it is not a pre-condition for a meeting in which the valuers explain the methodology to be adopted. Even if some members were not interested, the RP's duty to facilitate the meeting remained, since a statutory duty cannot be set aside by the indifferent attitude of the CoC members who are expected to be the beneficiary of such meeting.

2.2.9 The DC has also considered the plea that the meeting could not be held for want of time, and the submissions that the omission caused no prejudice and that the valuers were experienced. The DC notes that a mere shortage of time cannot justify dispensing with a mandatory step. The registered valuers were appointed on 08.10.2024. The minutes of the 2nd CoC meeting held on 03.12.2024 recorded that one of the two valuation reports had already been received by then, and Shri P.R. Raman submitted that both the reports were available by 26.12.2024. The meeting contemplated by the proviso was therefore required to be held between 08.10.2024 and the computation of the estimates. No CoC meeting was convened between the period of appointment of the valuers and computation of the valuation by the valuers. The opportunity contemplated under the proviso to Regulation 35(1) of the CIRP Regulations was lost once the valuation estimates were computed without first discussing the valuation methodology with the CoC members. Shri P.R. Raman also stated in his reply that he decided not to facilitate the appearance of the valuers before the CoC, which shows a conscious choice not to comply with a mandatory requirement under the CIRP Regulations. Good faith is no defence to the breach of an express regulatory obligation, and the reasons offered do not show reasonable care and diligence.

2.2.10 In view of the above, the DC holds that Shri P.R. Raman failed to facilitate a meeting of the CoC with the registered valuers before computation of the estimates of fair value and liquidation value, as mandated by the proviso to Regulation 35(1) of the CIRP Regulations. Accordingly, the DC holds Shri P.R. Raman to be in contravention of Sections 208(2)(a) and (e) of the Code, the proviso to Regulation 35(1) of the CIRP Regulations, and Regulation 7(2)(a) and (h) of the IP Regulations, read with Clause 14 of the Code of Conduct specified in the IP Regulations.

**2.3 Failure to form opinion on avoidance transactions.**

2.3.1 Regulation 35A read with Regulation 40A 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 60 of the Code 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.

2.3.2 In the present matter, the issue of conducting forensic audit and forming opinion on avoidance transactions was first discussed in the 10th CoC meeting held on 04.07.2025, wherein Shri P.R. Raman apprised the CoC that forensic audit was proposed by him in an earlier CoC meeting but the decision was deferred on the request of Bank of India. Shri P.R. Raman also assured the

CoC that this agenda would be placed again in the forthcoming CoC meeting. However, no such discussion was found recorded in the minutes of the subsequent CoC meetings.

2.3.3 It was further noted from the minutes of the 2nd CoC meeting held on 03.12.2024 that while discussing the financial statements for the year 2023-24, Shri P.R. Raman apprised the CoC that diamonds worth Rs.8 crore were reflected as stock-in-hand, whereas there were no such diamond in possession of the CD or its erstwhile directors. The representatives of the CD could not offer any explanation on this issue. Instead of initiating steps to identify potential avoidance transactions, Shri P.R. Raman informed the CoC of his instructions to write off the said amount in the provisional financial statements as on the ICD, purportedly to reflect the correct picture to the prospective resolution applicants. Thus, Shri P.R. Raman chose to write off the amount without offering any cogent reasons for not examining the possibility of avoidance transactions. It was further noted that Shri P.R. Raman had not filed Form CIRP 6 / CIRP 8 pertaining to the intimation of his opinion, determination and filing of applications in respect of the avoidance transactions.

2.3.4 In view of the above, IBBI had formed *prima facie* view that Shri P.R. Raman had failed to form his opinion and determination on avoidance transactions needed for filing application before the AA for the appropriate relief. Hence, Shri P.R. Raman had *prima facie* contravened the provisions of Sections 208(2)(a) and (e) of the Code, Regulation 35A read with Regulations 40A and 40B of CIRP Regulations, Regulation 7(2)(a) and (h) of IP Regulations, read with Clause 14 of the Code of Conduct specified in IP Regulations.

**Submissions by Shri P.R. Raman.**

2.3.5 Shri P.R. Raman submitted that the diamonds in question had been continuously reflected as trading stock in the books of account of the CD since FY 2011–12. He further submitted that, upon examination of the available records and discussions with the auditors, it could not be established that any funds of the CD were utilised for purchase of the diamonds. The diamonds had been procured from Israel through an agent, who raised the invoice on the CD and handed over the diamonds for approval by the prospective buyer, which, as submitted, was an industry practice. He further submitted that, in the present case, the diamonds were stated to have been supplied to a high-profile political leader of Tamil Nadu for approval but were neither returned nor paid for after the stipulated period. The erstwhile director had allegedly pursued the payment and had also lodged a criminal complaint in this regard. However, no further action could be pursued as the person named in the auditor's report, Shri Adyar Mohan, had subsequently passed away.

2.3.6 Shri P.R. Raman further submitted that, in view of the above circumstances, he could not form a conclusive opinion regarding initiation of application in respect of preferential, undervalued or fraudulent transactions, or for fraudulent or wrongful trading, against the erstwhile directors in relation to the diamonds. He submitted that the involvement of the funds of the CD in the purchase of the diamonds could not be established beyond doubt; no invoice had been raised by the CD upon any buyer in respect thereof; and a criminal complaint had already been lodged by the erstwhile director, which was subsequently disposed of by the police authorities. He further submitted that the erstwhile management had admitted that the diamonds were not

physically available and that the details thereof had been disclosed in the explanatory notes forming part of the audited financial statements of the Corporate Debtor.

2.3.7 Shri P.R. Raman submitted that, in his considered opinion, the diamonds, which had neither been purchased from the funds of the CD nor physically formed part of its stock, ought not to have continued to be reflected as trading stock in the books. Accordingly, the same were permitted to be written off when the books of account were first audited during the CIRP. He further submitted that the existence and nature of the other bad and doubtful debts reflected under various heads, including non-current investments, long-term loans and advances and trade receivables, could not be conclusively established owing to the non-availability of ledgers, books and other underlying records for verification.

2.3.8 Shri P.R. Raman also submitted that a CBI investigation had already been initiated on the complaint of the financial creditor, Bank of India, against the erstwhile director in relation to the alleged diversion of funds. He submitted that, in the circumstances, initiation of separate applications in respect of the alleged avoidance transactions or fraudulent and wrongful trading, in the absence of sufficient records and evidence, would not have been productive and could result in duplication of proceedings in respect of the same underlying transactions.

2.3.9 Shri P.R. Raman further submitted that no failure could be attributed to him for not filing applications in respect of avoidance transactions or fraudulent and wrongful trading, as he had formed a considered opinion that such applications could not be effectively pursued in the absence of the relevant books, ledgers and records necessary to establish the transactions. Shri P.R. Raman submitted that the decision was taken on the basis of his professional experience in dealing with avoidance transactions of various CDs and with reasonable caution and prudence, keeping in view the circumstances of the case and without causing prejudice to the ongoing CIRP.

**Analysis and Findings of the DC.**

2.3.10 Regulation 35A of the CIRP Regulations requires the RP to form an opinion on avoidance transactions on or before the 75$^{th}$ day of the ICD, to make a determination before the 115$^{th}$ day if such transactions exist, and to report through Form CIRP 6 / CIRP 8 under Regulation 40B.

2.3.11 The DC notes the submission of Shri P.R. Raman that he proposed a forensic audit in an earlier CoC meeting, but the decision was deferred at the request of Bank of India. At the 10$^{th}$ CoC meeting on 04.07.2025, he assured the CoC that the agenda would be placed again. However, the DC notes that no such discussion appears in the minutes of any subsequent meeting.

2.3.12 The DC notes that the duty under Regulation 35A rests on the RP and does not depend on the CoC's approval for conducting a forensic audit. The CoC's deferral for appointment of transaction auditor did not stop Shri P.R. Raman from examining the CD's transactions on the records available, forming an opinion, recording it and reporting it. Even after it came to light that diamonds worth Rs.8 crore reflected as stock-in-hand were not in the possession of the CD or the directors of the suspended board, no opinion or determination was recorded in the CoC minutes, and no Form CIRP 8 was filed. The claim of a considered opinion appears for the first

time in the reply to the SCN and finds no support in the contemporaneous record. The reply is also internally inconsistent as at one place Shri P.R. Raman stated that he could not form any opinion on filing applications in respect of the diamonds in view of the circumstances that no utilisation of the CD's funds for their purchase could be established from the available records, while in the same reply at other place he claims to have formed an opinion that such applications would be a futile exercise in view of the CBI investigation.

2.3.13 The DC notes the submission of Shri P.R. Raman that a CBI investigation had already been initiated against the erstwhile director in relation to alleged diversion of funds, accordingly, filing a separate application would not be productive. The DC notes that the pending CBI investigation does not release him from his statutory duty under the Code and regulations.

2.3.14 The DC notes that in the 2nd CoC meeting held on 03.12.2024, Shri P.R. Raman informed the CoC that diamonds worth Rs.8 crore were shown as stock-in-hand although neither they were in possession of the CD nor the directors of the suspended board could explain this. The DC notes that Shri P.R. Raman on his own informed the CoC of his own instructions to write off the amount in the provisional financial statements as on the ICD. Although the minutes recorded that the CoC members agreed, the concurrence of the CoC does not discharge the RP's independent duty under Regulation 35A to examine whether the loss of the asset arose from a transaction covered under the Code.

2.3.15 The DC notes that the unexplained whereabouts of diamonds worth Rs. 8 crore was a matter calling for examination under Sections 43, 45, 50 or 66 of the Code. A mere write-off of the asset from the books does not explain how it was taken out of the CD's possession. Although the diamonds had been reflected in the books since FY 2011-12, the transactions under Section 66 of the Code prescribe no look-back period, and the age of the transaction was therefore no ground for not examining it. The DC further notes that Shri P.R. Raman offered no cogent reason for not examining this possibility before writing off the asset. The closure of a police complaint filed by the erstwhile director also did not relieve the RP of his duty. The DC notes the submission of Shri P.R. Raman that the stated purpose of the write-off was to reflect the correct picture to prospective resolution applicants. However, the DC notes that the purpose was defeated by the write-off itself, since the resolution applicants and the CoC were deprived of any assessment of whether the loss arose from an avoidable transaction.

2.3.16 In view of the above, the DC finds that Shri P.R. Raman failed to form an opinion and determination on avoidance transactions within the prescribed timelines and further he permitted the write-off of diamonds worth Rs. 8 crore without examining possible avoidance transactions. Accordingly, the DC finds Shri P.R. Raman in contravention of Sections 208(2)(a) and (e) of the Code, Regulation 35A read with Regulations 40A and 40B of the CIRP Regulations, and Regulations 7(2)(a) and (h) of the IP Regulations, read with Clause 14 of the Code of Conduct.

**2.4 Delay in publication of Expression of Interest (Form G).**

2.4.1 Regulation 36A (1) of CIRP Regulations provides that, *"The resolution professional shall publish brief particulars of the invitation for expression of interest in Form G of the Schedule-I at the earliest, not later than sixtieth day from the insolvency commencement date, from interested and eligible prospective resolution applicants to submit resolution plans."* Further, Form G is inter-alia required to be published on the website, if any, designated by the Board for the purpose.

2.4.2 In the present matter, the CIRP of the CD commenced on 23.08.2024. Accordingly, in terms of Regulation 36A (1) read with Regulation 40A of CIRP Regulations, invitation for expression of interest in Form G was required to be published by 22.10.2024. However, Form G was published only on 31.12.2024 i.e. with a delay of approximately 70 days.

2.4.3 Shri P.R. Raman submitted in his response that delay in finalization of audited financials for the year 2023-24 led to delay in publication of Form G and that the matter was duly informed to the CoC members. It was noted that in the 2nd CoC meeting held on 03.12.2024, Shri P.R. Raman apprised the CoC that the audited financials for the year 2023-24 had been received and that Form G would be published immediately after preparation of the IM. It was only in the 3rd CoC meeting held on 27.12.2024 that the draft Form G was placed before the CoC for its inputs. It was observed that publication of Form G could have been undertaken without awaiting completion of the information memorandum.

2.4.4 In view of the above, it was observed that there was delay of approximately 70 days in publication of Form G. Hence, Shri P.R. Raman had *prima facie* contravened the provisions of Sections 208(2)(a) and (e) of the Code, Regulation 36A(1) read with Regulation 40A of CIRP Regulations, Regulations 7(2)(a) and (h) of IP Regulations, read with Clause 13 and 14 of the Code of Conduct specified in IP Regulations

**Submissions by Shri P.R. Raman.**

2.4.5 Shri P.R. Raman submitted that immediately upon commencement of the CIRP, he had inspected the registered office of the Corporate Debtor and found the premises completely vacant, with no records, furniture or staff present. He further submitted that the premises had remained locked for considerable period and, owing to prolonged closure, the entire office was severely infested with termites, resulting in the destruction of files, books, ledgers and computer hard disks, notwithstanding the pest control measures subsequently undertaken. Accordingly, no records or documents were available for his inspection or for taking into custody. He submitted that these facts were duly reported in the report filed vide I.A. No. IA(IBC)/1902(CHE)/2024 in CP/IB/1208(CHE)/2018 on 11.09.2024, which was taken on record by the AA vide its order dated 20.09.2024.

2.4.6 Shri P.R. Raman further submitted that, during the course of the CIRP, it was ascertained that the accounts of the CD had not been audited for the immediately preceding financial year, i.e., FY 2023–24. Further, owing to the limited and selective cooperation extended by the erstwhile management, the Information Memorandum could not be prepared within the stipulated

timeline, which consequently resulted in delay in publication of Form G. The Information Memorandum could be finalised only on the 129th day of the CIRP and Form G was thereafter published on the 132nd day.

2.4.7 Shri P.R. Raman submitted that the delay in completion of the aforesaid CIRP requirements was attributable to factors beyond his control and that he should not be held responsible for such delays.

**Analysis and Findings of the DC.**

2.4.8 The DC notes that the timeline under Regulation 36A(1) is mandatory. The DC notes that the CIRP of the CD commenced on 23.08.2024. In terms of Regulation 36A(1) read with Regulation 40A of the CIRP Regulations, Form G was required to be published at the earliest, and not later than the sixtieth day from the insolvency commencement date, i.e. 22.10.2024. The draft Form G was placed before the CoC only on 27.12.2024 and was published on 31.12.2024. This delay of nearly 70 days was not satisfactorily explained. The Regulation 36A does not make the publication of Form G contingent upon finalisation of the IM.

2.4.9 The DC notes the submission of Shri P.R. Raman that no records or documents were available for his inspection or for taking into custody, and that these facts were reported vide I.A. No. IA(IBC)/1902(CHE)/2024 in CP/IB/1208(CHE)/2018 on 11.09.2024, which the AA took on record through the order dated 20.09.2024. The DC notes that the given factor may have affected the collection of information and financials. However, they do not explain the delay in publishing Form G. Further, the minutes of the 1st and 2nd CoC meetings do not reflect that the difficulties that are now pleaded before the DC, were placed before the CoC also. Further, Shri P.R. Raman did not approach the AA under Section 19(2) of the Code for non-cooperation by the suspended management.

2.4.10 The DC notes that, by failing to publish Form G within time, Shri P.R. Raman did not exercise the reasonable care and diligence expected of an IP, and failed to plan his actions so as to adhere to the time limits prescribed under the CIRP Regulations, The DC finds Shri P.R. Raman in contravention of Section 208(2)(a) and (e) of the Code, Regulation 36A(1) read with Regulation 40A of the CIRP Regulations, Regulation 7(2)(a) and (h) of the IP Regulations, read with Clauses 13 and 14 of the Code of Conduct specified in the First Schedule to the IP Regulations.

**2.5 Acceptance of EoI beyond last date.**

2.5.1 The Regulation 36A(3) (b) of CIRP Regulations provides that Form G shall provide the last date for submission of expression of interest which shall not be less than fifteen days from the date of issue of detailed invitation for expression of interest. Regulation 36A(6) of CIRP Regulations provides that the expression of interest received after the time specified in the invitation under clause (b) of sub regulation (3) shall be rejected.

2.5.2 In the present matter, Form G dated 31.12.2024 issued by Shri P.R. Raman provided for the last date of submission of EoI as 15.01.2025. It was noted that Shri P.R. Raman received four EOIs,

including one EOI jointly from Shri Anand Jain, director of the suspended board and shareholder of CD and three other shareholders of the CD. In the 4th CoC meeting held on 07.02.2025, Shri P.R. Raman informed the CoC that pursuant to the objection raised by homebuyers as regards eligibility of Shri Anand Jain, the EoI submitted by him was withdrawn, and a new EoI dated 04.02.2025 was submitted jointly by the remaining three shareholders of the CD, viz., Ms. A. Aarthi, Ms. A. Poonam and Ms. A. Anitha, which was beyond the last date of submission of the EoI, i.e., 15.01.2025. It was further stated that after deliberations, the CoC decided to permit all four applicants who had submitted EoI to submit their resolution plans.

2.5.3 While addressing the objection raised by homebuyers on considering belated EoI, Shri P.R. Raman stated that belated EoI dated 04.02.2025 was treated as a substitution for the earlier EoI of Shri Anand Jain, submitted along with three shareholders. Regulation 36A(6) of CIRP Regulations clearly provides for rejection of EoI submitted after the last date. It was therefore incumbent on Shri P.R. Raman to draw the CoC's attention to the statutory requirement and its implications before allowing acceptance of any belated submission. The CoC's purported approval cannot, in itself, cure non-compliance with the mandatory requirements of IBBI Regulations.

2.5.4 In view of the above, it was observed that Shri P.R. Raman had prima facie contravened the provisions of Sections 208(2)(a) and (e) of the Code, Regulation 36A(6) of CIRP Regulations, Regulations 7(2)(a) and (h) of IP Regulations, read with Clauses 11, 13 and 14 of the Code of Conduct specified in IP Regulations.

**Submissions by Shri P.R. Raman.**

2.5.5 Shri P.R. Raman submitted that the EOI dated 14.01.2025 was initially submitted within the prescribed timeline and was subsequently resubmitted by three shareholders of the CD after removing the name of the director of the suspended board of the CD, Shri Anand Jain, whose inclusion had been objected to on the ground that he had been declared a wilful defaulter. Shri P.R. Raman was of the considered view that the timeline for submission of EOIs was directory in nature and, particularly in the absence of any prejudice or harm being caused to any stakeholder, the EOI could be placed before the CoC along with other EOIs for consideration on merits.

2.5.6 Shri P.R. Raman further submitted that by placing the said EOI before the CoC, he sought to provide an opportunity to the shareholders of the CD, being an MSME, in view of the special treatment contemplated under the Code for MSMEs. Accordingly, the EoI was placed before the CoC along with other EoIs with the sole objective of maximising the value of the CD, while leaving the final decision entirely to the commercial wisdom of the CoC.

2.5.7 Shri P.R. Raman submitted that his approach was subsequently supported by the interim order dated 24.06.2025 passed by the Hon'ble Madras High Court in W.P. No. 22339 of 2025 and W.M.P. No. 25160 of 2025, whereby the declaration of Shri Anand Jain as a wilful defaulter was stayed, thereby permitting his eligibility to submit a resolution plan. He further submitted that, following the rejection of the EOI by the CoC, when the representatives of the

shareholders raised the issue in a subsequent CoC meeting, he advised them to approach the AA for appropriate relief.

2.5.8 Shri P.R. Raman submitted that the shareholders thereafter approached the AA challenging the decision of the CoC to disallow their EoI on the ground of late submission. The application has been numbered as I.A. (IBC)/1204(CHE)/2025 in CP (IB)/1208(CHE)/2018 and is presently sub-judice. He further submitted that the resolution plan is already in place and under the approved resolution plan, the homebuyers are stated to realise 99.39% of their shelter-related entitlements, with completion of the plan scheduled within 15 months from the date of its approval by the AA.

**Analysis and Findings of the DC.**

2.5.9 The Regulation 36A(3)(b) of the CIRP Regulations requires Form G to specify the last date for submission of EoI, which shall not be less than fifteen days from the date of issue of the detailed invitation. Regulation 36A(6) provides that an EoI received after the time specified in the invitation "shall be rejected".

2.5.10 The DC notes that in the present matter, Form G dated 31.12.2024 fixed 15.01.2025 as the last date for submission of EoI. Shri P.R. Raman received four EoIs, including a joint EoI from Shri Anand Jain, director of suspended board and shareholder of the CD, and three other shareholders. The DC notes that following the homebuyers' objection to the eligibility of Shri Anand Jain being one of the directors of the suspended board, the EoI was withdrawn, and a fresh EoI dated 04.02.2025 was submitted jointly by Ms. A. Aarthi, Ms. A. Poonam and Ms. A. Anitha, which was about 20 days after the last date of submission of EoI. Shri P.R. Raman placed this belated EoI before the CoC along with the other EoIs for consideration.

2.5.11 The DC notes the submission of Shri P.R. Raman that the Hon'ble Madras High Court by the interim order dated 24.06.2025 stayed the wilful defaulter declaration against Shri Anand Jain. However, the DC also observes that the EoI dated 04.02.2025 was not a mere resubmission, since the earlier joint EoI including Shri Anand Jain had been withdrawn and the later one was submitted without Shri Anand Jain, after the last date of submission of EoI. The DC notes that the EoI dated 04.02.2025 was, in substance, a fresh EoI received after the last date of submission of EoI, i.e., 15.01.2025. Further, Shri P.R. Raman himself described it at the 4$^{th}$ CoC meeting as “a new application”. The DC notes that Regulation 36A(6) provides that, *‘the expression of interest received after the time specified in the invitation under clause (b) of sub-regulation (3) shall be rejected’*, and the CIRP Regulations contain no provision for “substitution” of an EoI after the last date. Further, Shri P.R. Raman also invoked Section 240A of the Code on the ground that the CD is an MSME. In this regard, the DC notes that in respect of MSMEs only clauses (c) and (h) of Section 29A is not applicable for determining the eligibility of a resolution applicant and does not relax the timelines stipulated under Regulation 36A.

2.5.12 The DC notes the submission of Shri P.R. Raman that the EoI was rejected by the CoC on ground of late submission. This decision of CoC for rejection of EoI was challenged by the resolution applicant before the AA where it is *sub-judice*. The DC notes that the core issue of

examination in the instant disciplinary proceedings is the conduct of Shri P.R. Raman as to whether by allowing a new application after the due date, he has contravened the provisions of the Code and Regulations. The pendency of matter with AA regarding rejection of EoI by the CoC is a separate issue and has no impact on the present contravention alleged.

2.5.13 The DC notes that it was the duty of Shri P.R. Raman to draw the CoC's attention to Regulation 36A(6) and its consequences, which Shri P.R. Raman failed to do. Further, the Hon'ble High Court's order dated 24.06.2025 staying the wilful defaulter declaration, was passed long after the last date of submission of EoI and does not address the timeline for EoIs. The pendency of I.A. (IBC)/1204(CHE)/2025 before the AA preferred by the shareholders of the CD challenging the decision of the CoC disallowing their EoI on the ground of late submission, does not bar the present proceedings, which concern only the conduct of Shri P.R. Raman as RP. The subsequent approval of a resolution plan by the CoC also does not cure the non-compliance. Therefore, the submissions of Shri P.R. Raman are not tenable.

2.5.14 Accordingly, the DC holds that Shri P.R. Raman treated a belated EoI as a "substitution" and placed it before the CoC without apprising the CoC of the statutory requirement under Regulation 36A(6) and thereby did not exercise the reasonable care and diligence expected of an IP. In view of the above, the DC finds Shri P.R. Raman in contravention of Sections 208(2)(a) and (e) of the Code, Regulation 36A(6) of the CIRP Regulations, Regulation 7(2)(a) and (h) of the IP Regulations, read with Clauses 11, 13 and 14 of the Code of Conduct specified in the First Schedule to the IP Regulations.

## 3. Order.

3.1. In view of the findings recorded in the foregoing paragraphs 2.1 to 2.5, the DC holds that Shri P.R. Raman, as the RP of the CD: (i) did not appoint registered valuers for the asset class "Securities or Financial Assets" at any stage of the CIRP, even though the financial statements of the CD reflected such assets and the homebuyers had sought its valuation; (ii) did not facilitate a meeting in which the registered valuers were required to explain the valuation methodology to the CoC before computation of the estimates; (iii) did not form an opinion or make a determination on avoidance transactions within the prescribed timelines, did not file Form CIRP 8, and directed the write-off of diamonds worth about Rs.8 crore without examining whether their loss arose from an alleged fraudulent transaction covered under the Code; (iv) published Form G on 31.12.2024 against the due date of 22.10.2024, i.e. with a delay of about 70 days; and (v) treated an EoI received on 04.02.2025, after the last date of 15.01.2025, as a "substitution" and placed it before the CoC without apprising the CoC of the requirement of Regulation 36A(6). Shri P.R. Raman has therefore contravened Section 208(2)(a) and (e) of the Code; Regulation 27(1), the proviso to Regulation 35(1), Regulation 35A read with Regulations 40A and 40B, Regulation 36A(1) read with Regulation 40A, and Regulation 36A(6) of the CIRP Regulations; and Regulation 7(2)(a) and (h) of the IP Regulations read with Clauses 11, 13 and 14 of the Code of Conduct specified in the First Schedule to the IP Regulations.

3.2. Accordingly, 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

suspends the registration of Shri Pathukasahasram Raghunathan Raman for a period of two years. Further, in terms of Section 206 of the Code, Shri Pathukasahasram Raghunathan Raman shall not be eligible to continue his existing assignments.

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 Shri P.R. Raman is providing his services. The CoC of the respective corporate debtors shall replace Shri P.R. Raman with another Resolution Professional/Liquidator.

3.5. A copy of this order shall be forwarded to ICSI Institute of Insolvency Professionals where Shri Pathukasahasram Raghunathan Raman 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/-
**(Dr. Bhushan Kumar Sinha)**
**Whole Time Member**
Insolvency and Bankruptcy Board of India

Sd/-
**(Jayanti Prasad)**
**Chairperson**
Insolvency and Bankruptcy Board of India

Dated: 03 November 2026
Place: New Delhi