INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

(Disciplinary Committee)

No. IBBI/DC/347/2026 06 October 2026

ORDER

This Order disposes of the Show Cause Notice (SCN) No. COMP-11011/91/2025-IBBI/1807/1851 dated 02.12.2025, issued to Mr. Jitendra Palande, who is an Insolvency Professional (IP) registered with the Insolvency and Bankruptcy Board of India (IBBI/Board) having Registration No. IBBI/IPA-003/IP-N00028/2017-2018/10188 and a Professional Member of the Insolvency Professional Agency of Institute of Cost Accountants of India.

1. Background

1.1. The corporate insolvency resolution process (CIRP) of Forever Entertainment Private Limited (Corporate Debtor/CD) commenced *vide* order of the National Company Law Tribunal, Mumbai Bench (AA) dated 21.01.2019 on an application filed by Mr. Rajendra Bandal under Section 7 of the Insolvency and Bankruptcy Code, 2016 (Code) and Mr. Jitendra Palande was appointed as Interim Resolution Professional (IRP) and later confirmed as the Resolution Professional (RP) of the CD. The Liquidation proceedings were initiated against the Corporate Debtor vide AA order dated 03.06.2021 and Mr. Jitendra Palande was appointed as the Liquidator of the CD.

1.2. The Board received a complaint against Mr. Jitendra Palande in the matter of CIRP of the CD. The Board vide e-mail dated 25.03.2025 sought Mr. Jitendra Palande's reply to the allegations raised in the complaint. Mr. Jitendra Palande submitted his reply vide email dated 04.04.2025. The Board examined the allegations in the above complaint *vis-à-vis* reply of Mr. Jitendra Palande and based on such examination, Board formed a *prima facie* opinion that Mr. Jitendra Palande has contravened provisions of the Code and Regulations made thereunder and issued SCN to Mr. Jitendra Palande on 02.12.2025. Mr. Jitendra Palande submitted his reply to the SCN on 16.12.2025.

1.3. The SCN and its response by Mr. Jitendra Palande were referred to the Disciplinary Committee (DC) for disposal. Mr. Jitendra Palande availed the opportunity of personal hearing before the DC through virtual mode on 09.04.2026. Mr. Jitendra Palande also submitted his additional written submissions on 20.04.2026. The DC has considered the SCN, the reply to SCN, oral and written submissions of Mr. Jitendra Palande, and proceeds to dispose of the SCN.

2. Alleged Contravention, submissions of Mr. Jitendra Palande and analysis and findings of the DC.

2.1 Failure to exercise reasonable care and due diligence in verification of claim.

2.1.1 It was noted that CIRP commenced on 21.01.2019 wherein Mr. Jitendra Palande was appointed as IRP and later as RP. Further, vide Order dated 03.06.2021, liquidation of the CD was ordered, and Mr. Jitendra Palande was appointed as the Liquidator. It was, thus, seen that Mr. Jitendra Palande had acted as IRP, RP and Liquidator in the matter. Mr. Jitendra Palande had collated the claim as early as in the year 2019 i.e. on 25.02.2019. As per the disclosures in IM, filed with CIRP form 3, the claim amount of Saturn Ventures/ Sattvam Ventures Pvt. Ltd. (Sattvam) had been shown as Rs. 20.10 crores. Further, during liquidation, Mr. Jitendra Palande had admitted an amount of Rs. 34,72,54,224 towards claim of Sattvam.

2.1.2 In reply to the allegation regarding not conducting the meeting of SCC despite being so requested on 10.06.2025 by SCC member Mr. Satish Gopinath, Director of M/s Sattvam Ventures Pvt. Ltd. who was unsecured financial Creditor and stated to be holding 35% voting in SCC, Mr. Jitendra Palande had stated that AA vide order dated 30.01.2024, which is a matter pertaining to other CD, had recorded various fraudulent activities by the creditor and thereby Mr. Jitendra Palande appointed an independent auditor to verify the claim of the creditor and thereby reduced the voting share of the creditor from 35.01 % to 4.45% and further the remaining claim is also under verification. It was, however, observed during examination that auditor report had not been placed on record by Mr. Jitendra Palande. Mr. Jitendra Palande had further stated that the revised admitted claim reduced the complainant's voting share to 4.45%, which falls below the 33% threshold required to requisition an SCC meeting under Regulation 31A(6).

2.1.3 It was noted that Sattvam initially had 35% (approx.) voting right in the SCC and as per Mr. Jitendra Palande's reply to the Board, it was only on 20.07.2025, Sattvam was intimated regarding reduction of its voting share. It was further noted that Mr. Jitendra Palande had relied upon one order by AA dated 30.01.2024, but there was nothing on record which suggests that any communication has ever been made before 20.07.2025 and 28.07.2025 to Sattvam regarding its reduction of voting share. In response to the Board's specific query as to whether the reduction of claim was ever intimated to or discussed with SCC, to which Mr. Jitendra Palande replied that "it was not discussed in SCC, separately intimated." However, there was nothing on record which suggest any intimation to Sattvam prior to 20.07.2025. Furthermore, in response to Board's specific request for all the correspondence between Mr. Satish Gopinath, Director of Sattvam and Mr. Jitendra Palande from 30.01.2024 i.e., AA order relied upon by Mr. Jitendra Palande in support of reduction of claim, Mr. Jitendra Palande does not provide any correspondence other than the aforesaid two correspondences dated 20.07.2025 and 28.07.2025. Further, Mr. Jitendra Palande had also submitted one limited affidavit to prove the intimation regarding reduction of claim to AA. It was, however, noted that the said affidavit was executed only on 31.07.2025.

2.1.4 It was further observed that while intimating reduction of claim vide email dated 20.07.2025 to Sattvam, Mr. Jitendra Palande had stated therein that the claim for interest was without any supporting agreement. This indicates that the initial collation of claim of Sattvam Ventures (Saturn ventures) was not done with due diligence. Mr. Jitendra Palande had not exercised reasonable care and due diligence as required from him in verification of claim of M/s. Sattvam Ventures Pvt. Ltd. It was also observed that Mr. Jitendra Palande failed to intimate timely regarding the reduction of claim to the creditor. It was also observed that the intimation of the same had been done after the filing of instant complaint to the Board.

2.1.5 In view of the above, prima facie, Mr. Jitendra Palande had contravened Clauses 13 and 14 of Code of Conduct for IPs.

2.1.6 As per Regulation 31(3) of Liquidation Regulations, *"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.*" However, there is nothing on record which suggests that Mr. Jitendra Palande applied before AA to modify an entry in the list of stakeholders subsequent to reduction of claim of Sattvam of Rs. 3 crore and consequent reduction in its voting share.

2.1.7 As per Regulation 31(5)(d) of the Liquidation Regulations, *"the list of stakeholders, as modified from time to time, shall be filed on the electronic platform of the Board for dissemination on its website."* It was noted that there is no updated List of Stakeholders on the website of the Board subsequent to revision of claim of Sattvam.

2.1.8 In view of the above, the Board is of the prima facie view that Mr. Jitendra Palande failed to timely inform the creditor, SCC, or AA about the revision in the claim or reduction in voting share thereby violating Regulation 31(3) and 31(5)(d) of Liquidation Regulations along with Clause 13 and 14 of the Code of Conduct.

Submissions by Mr. Jitendra Palande.

2.1.9 Mr. Jitendra Palande submitted that the claim of Saturn Ventures & Advisors Pvt. Ltd. was admitted during the CIRP on the basis of documents and records made available at that time. The admission of the claim of Saturn Ventures & Advisors Pvt. Ltd was carried forward into liquidation in accordance with the Code and the Liquidation Regulations, subject to verification and re-verification as permitted under law. Mr. Jitendra Palande further submitted that on 03.06.2025, he received submissions from a suspended director of the Corporate Debtor raising issues that were not discernible from the earlier records, including concerns relating to authorisation of signatories, interest components, and ledger entries forming part of the creditor's claim. In view of the receipt of such new material, Mr. Jitendra Palande initiated re-verification of the claim on 04.06.2025.

2.1.10 Mr. Jitendra Palande submitted that considering the nature of the issues raised, he had engaged an independent Chartered Accountant to conduct an objective, limited-scope verification of the claim. The scope of the engagement was confined to review of such loan documentation, ledger extracts, computations, and records as were available on the liquidation file and from publicly accessible statutory filings, without any independent third-party confirmation. The independent professional submitted a report dated 18.07.2025 recording factual observations arising from record availability and verification constraints.

2.1.11 Mr. Jitendra Palande further submitted that upon completion of the independent verification and receipt of the final report dated 18.07.2025, and after independently examining the observations contained therein in conjunction with the liquidation records, Mr. Jitendra Palande, being liquidator, exercised his statutory discretion to revise the admitted amount of the claim. The revised claim position was communicated to the creditor by email dated 20.07.2025. In view of the discrepancies and issues noted during the verification process, Mr. Jitendra Palande formed a prima facie view that the matter warrants further scrutiny and is in the process of taking appropriate steps, including approaching AA, in accordance with the provisions of the Code.

2.1.12 Mr. Jitendra Palande further submitted that upon revision of the admitted claim following re-verification, he had exercised the discretion available under the given Regulation. Nonetheless, the revised claim position was placed before the AA by way of a limited affidavit filed in response to an application of the creditor in a different matter relating to the same Corporate Debtor.

2.1.13 Mr. Jitendra Palande submitted that the re-verification exercise was carried out strictly on the basis of records available in the liquidation process and publicly accessible information. The creditor was also requested to resubmit the claim along with supporting documents, including the ones that would demonstrate continuity of the claim and the entity. However, no such submissions were received. Following communication of the revised claim position, the creditor was at liberty to seek reconsideration or invoke remedies available under Section 42 of the Code. No such challenge or application was filed by the creditor, and the revised adjudication accordingly attained finality. No objection or challenge to the revised claim position was raised by the creditor before the Liquidator, the AA or the IBBI, nor was any challenge preferred under Section 42 of the Code.

2.1.14 Mr. Jitendra Palande submitted that in these circumstances, the revised claim position attained finality. Mr. Jitendra Palande further submitted that he had made continuous attempts to upload the modified list of stakeholders on the Board's electronic platform; however, such uploading could not be completed due to a technical error encountered on the IBBI website.

Analysis and Findings of the DC.

2.1.15 In order to appreciate the facts of the present case, a detailed chronology of events is presented in tabular format:-

Date	Events
21.01.2019	CIRP of Forever Entertainment Private Limited commenced and Mr. Jitendra Palande was appointed as Interim Resolution Professional.
22.02.2019	Saturn Ventures/ Sattvam Ventures & Advisors Pvt. Ltd. (Sattvam) Claim of ₹20.10 Cr admitted.
02.03.2019	Committee of Creditors constituted and Mr. Jitendra Palande confirmed as Resolution Professional.
03.06.2021	Liquidation of the Corporate Debtor commenced, and Mr. Jitendra Palande appointed as Liquidator.
05.07.2021	Saturn Ventures/Sattvam Ventures Pvt. Ltd. (Sattvam) filed liquidation claim.
2021–2024	Multiple attempts made to realise the asset through e-auction; no successful bids received.
29.10.2023	Application filed before the AA seeking approval for distribution of assets under Regulation 38 of the Liquidation Regulations.
30.01.2024	AA passed an order dated 30.01.2024 in the CIRP of Saturn Rings and Forgings Private Limited in IA/INV.P. No. 12/2023 in CP(IB) No. 408/2019, wherein the AA held that the Wagner Machine belonged to Saturn Rings and not to Saturn Ventures/Sattvam Ventures Pvt. Ltd., the holding company of Saturn Rings. Mr. Jitendra Palande relied upon the order passed by the AA as the trigger for reverification of the claim.
12.02.2024	Amendment to Regulation 31A(6) of the Liquidation Regulations notified, introducing quarterly SCC meeting requirement.
06.06.2024	AA directed exploration of alternative modes of sale, including private sale.
September 2024	AA Order dated 06.06.2024 received by the Liquidator.
18.02.2025	Meetings convened with secured creditors to deliberate on private sale options.
08.04.2025	SCC meeting convened to update stakeholders on proposed private sale; no quorum achieved.
24.05.2025 – 30.05.2025	SCC meetings convened by the Liquidator in connection with private sale and related matters.
03.06.2025	Mr. Sunil Kumbhar, Suspended director, reported fund siphoning by ex-promoter Aniket Kulkarni. Money from Saturn allegedly routed through dummy entities. Suspended Director submitted that Kulkarni had no authority to sign Saturn agreement.

04.06.2025	Re-verification of the aforesaid claim initiated. An independent Chartered Accountant engaged.
05.06.2025	Asset of the Corporate Debtor sold through private sale.
10.06.2025	First communication received from Sattvam purporting to requisition an SCC meeting, following intimation of asset sale completion to the SCC and circulation of the SCC minutes.
18.07.2025	An independent Chartered Accountant submitted a final report on the re-verification of the claim.
20.07.2025	Mr. Jitendra Palande informed Sattvam regarding revision of its claim and noted that the claimant had failed to inform the Liquidator of material structural changes, including the change in its name, until its recent communication. The interest component of approximately ₹31.72 crore was rejected due to the absence of any supporting agreement, historical interest payments, mutually agreed terms, or acknowledgment by the Corporate Debtor, resulting in the admitted claim being reduced to ₹3 crore. Subsequently, in light of the adverse findings recorded by the AA vide order dated 30.01.2024 against Sattvam India Ventures Pvt. Ltd. (formerly Saturn Ventures & Advisors Pvt. Ltd.) and other discrepancies observed in the claim, the revised claim amount of ₹3 crore was reverted for re-verification. A document requisition list was also issued seeking independent, verifiable evidence in support of the claim.
28.07.2025	E-mail by Mr. Jitendra Palande to Sattvam informing that despite being granted adequate opportunities, the claim remains unsubstantiated. Accordingly, the claim, including the purportedly reduced amount of ₹3 crore, is rejected in its entirety, considering the adverse findings recorded by the AA vide order dated 30.01.2024, the material discrepancies and inconsistencies observed in the claim, and Sattvam's failure to furnish credible supporting evidence despite repeated opportunities.
31.07.2025	A limited affidavit was filed before the AA by Mr. Jitendra Palande in the intervention application filed by Sattvam, placing on record the revised status of its claim. The affidavit stated that Sattvam's claim had been reduced from the amount claimed to ₹3 crore, as the interest component was found unsupported by any agreement. It further recorded that, in view of the adverse observations made by the AA in its order dated 30.01.2024, the reduced claim was subjected to re-verification and Sattvam was called upon to furnish supporting documents. Upon failure to provide the requisite documentation or respond to the communications dated 20.07.2025 and 28.07.2025, the claim was ultimately rejected in full. The affidavit also noted that Sattvam had neither challenged the rejection of its claim nor responded to the said communications.
02.12.2025	Issue of SCN to Mr. Jitendra Palande.

2.1.16. The DC notes that the claim of Saturn Ventures/Sattvam Ventures Pvt. Ltd. (Sattvam) amounting to Rs. 20.10 crore was admitted on 22.02.2019. Subsequently, liquidation of the CD was initiated on 03.06.2021, and Mr. Jitendra Palande was appointed as the Liquidator. Sattvam filed its claim on 05.07.2021 in liquidation proceedings. Mr. Jitendra Palande placed reliance on an order passed by the AA on 30.01.2024 in the CIRP of Saturn Rings and Forgings Private Limited, in IA/INV.P. No. 12/2023 in CP(IB) No. 408/2019, wherein the AA had held that the Wagner Machine belonged to Saturn Rings and not to Saturn Ventures/ Sattvam Ventures Pvt. Ltd., the holding company of Saturn Rings, for reverification of Sattvam's claim. Thereafter, between 24.05.2025 and 30.05.2025, five SCC meetings were convened by the Liquidator in connection with the private sale and related matters. The DC further notes that on 03.06.2025, Mr. Sunil Kumbhar, the suspended director of the CD, reported fund siphoning by the ex-promoter, Mr. Aniket Kulkarni, alleging that monies from Saturn had been routed through dummy entities. Accordingly, Mr. Jitendra Palande initiated re-verification of the claim on 04.06.2025 and engaged an independent Chartered Accountant. On 20.07.2025, the revised admitted claim was communicated to Sattvam, with the interest component denied. A further communication was addressed to Sattvam on 28.07.2025 rejecting the claim in entirety. A limited affidavit placing the revised claim position on record before the AA was filed on 31.07.2025 in response to the intervention petition preferred by the Sattvam.

2.1.17. The DC further notes that the independent Chartered Accountant report records that contemporaneous records ordinarily relied upon to establish continuity and reconciliation of the claimed amount were found to be inadequate and/or inconsistent. The DC observes that this very infirmity ought to have informed Mr. Jitendra Palande's approach at the threshold. The claim of Sattvam was admitted by Mr. Jitendra Palande himself, in the same capacity as IRP/RP and subsequently as Liquidator, along with the interest component, at the first instance during the CIRP and carried forward into liquidation. If the underlying documentation was genuinely inadequate to support the interest component, this ought to have been identified through the exercise of reasonable care and due diligence at the time of original collation and admission in 2019, and again at the time the claim was carried into liquidation in 2021. The deficiency surfacing only in 2025, on the basis of a limited and inconclusive report, reflects a lack of due diligence at the inception rather than a legitimate re-verification on account of newly emergent facts alone.

2.1.18. The DC notes that the independent Chartered Accountant submitted the final re-verification report on 18.07.2025, and that the period between 18.07.2025 and 20.07.2025 was utilised for analysis of this report and formulation of the final opinion on revision of the claim.

2.1.19. The DC notes that the SCN was issued to Mr. Jitendra Palande on 02.12.2025, and that it was only thereafter, on 09.12.2025, that the revised list of stakeholders came to be uploaded on the IBBI portal, with the assistance of the IBBI's IT team.

2.1.20. Regulation 31(3) and 31(5)(d) of Liquidation Regulations read as follows:-

"31. List of stakeholders.
(1)……
(2)……
(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.
……
(4)
(5) The list of stakeholders, as modified from time to time, shall be-
(a) available for inspection by the persons who submitted proofs of claim;
(b) available for inspection by members, partners, directors and guarantors of the corporate debtor;
(c) displayed on the website, if any, of the corporate debtor.
(d) filed on the electronic platform of the Board for dissemination on its website:
Provided that this clause shall apply to every liquidation process ongoing and commencing on or after the date of commencement of the Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2021".

2.1.21. Regulation 31(3) of the Liquidation Process Regulations casts a duty on the Liquidator to approach the AA for modification of an entry in the list of stakeholders whenever additional information comes to light warranting such change. The Liquidator is required to make the modification in accordance with the directions of the Adjudicating Authority. Further, under Regulation 31(5)(d), the list of stakeholders, as modified from time to time, is required to be filed on the electronic platform of the IBBI for dissemination on its website. This requirement applies to all liquidation processes that were ongoing or commenced on or after the coming into force of the Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2021.

2.1.22. The DC has perused the report of the independent Chartered Accountant engaged by Mr. Jitendra Palande regarding the re-verification of the claim submitted by Saturn Ventures & Advisors Pvt. Ltd., now known as Sattvam India Ventures Pvt. Ltd. The report, dated 18.07.2025, records that, based on the record position as available for examination, the maintainability of the interest component of the claim could not be confirmed. The DC further notes that the report is not a conclusive determination of the Sattvam's claim validity. The report itself records that no firm finding could be given by the independent Chartered Accountant on account of the inadequacy of documents made available for verification. The DC notes that the exercise of re-verification of the claim was undertaken with a limited-scope review confined to documents already on the liquidation file and publicly available statutory filings, without any independent third-party confirmation from the creditor or other sources. The independent report is expressly qualified as constrained by lack of supporting documentation and therefore, cannot by itself form a sound basis.

2.1.23. The DC notes the submission of Mr. Jitendra Palande that the claim was originally admitted on the basis of documents available at the time and was carried forward into liquidation subject to verification/re-verification as permitted under law, and that re-verification was

triggered by the suspended director's communication dated 03.06.2025. The DC further notes that three secured financial creditors of the CD had raised objections to the inclusion of Sattvam's claim in the Committee of Creditors, and had also preferred an application before the AA to this effect during the CIRP itself, being M.A./3304/2019. The DC notes that, notwithstanding these objections having been raised by other members of the CoC at that stage, Mr. Jitendra Palande admitted the claim of Sattvam disregarding the concerns so raised. The DC further notes that despite the objection raised by the CoC members, Mr. Jitendra Palande failed to take any steps to verify or otherwise re-examine the claim of Sattvam at the relevant time.

2.1.24. The DC notes Mr. Jitendra Palande's submission before the Board that the AA, vide order dated 30.01.2024, passed in a matter pertaining to another corporate debtor, had recorded various fraudulent activities on the part of the Sattvam and initiated re-verification of the claim. Basis this, Mr. Jitendra Palande initiated the re-verification of the claim. The DC, however, notes that the independent auditor for re-verification of the claim was appointed only in June 2025, that is, nearly a year and a half after the AA's order dated 30.01.2024 on which Mr. Jitendra Palande claims to have relied, and nearly six years after the objection was first raised by the CoC members in 2019. This significant and unexplained delay, both from the date of the original objection by the CoC members and from the date of the AA order relied upon, raises serious questions as to the conduct of Mr. Jitendra Palande and is difficult to reconcile with his claim of having acted with reasonable care and diligence upon becoming aware of grounds warranting re-verification.

2.1.25. The DC notes the submission of Mr. Jitendra Palande that the revised claim position was communicated to the Sattvam on 20.07.2025 and that Mr. Jitendra Palande was in the process of taking steps including approaching the AA. The DC notes that mere communication to Sattvam, does not satisfy Mr. Jitendra Palande's obligation under Regulation 31 (3) and (5) of the Liquidation Regulation to intimate the AA about the modification in the SCC and to file the modified list of stakeholders on the electronic platform of the Board. The DC notes that Mr. Jitendra Palande failed to place on record any document to show that the reduction of Sattvam's claim as informed vide email dated 20.07.2025 and 28.07.2025 and consequent reduction of its voting share was ever placed before AA and SCC. The DC notes that a decision of this consequence, affecting the composition and voting rights within the SCC, ought to have been transparently placed before the AA and updated on the electronic platform of the Board.

2.1.26. The DC notes the submission of Mr. Jitendra Palande that the revised claim position was placed before the AA by way of a limited affidavit filed in response to the creditor's application in a separate proceeding. The DC notes that placing a limited affidavit in different proceeding is not equivalent to compliance with Regulation 31(3), which requires the liquidator to proactively apply to the AA for modification of an entry in the list of stakeholders upon coming across information warranting such modification. The DC further notes that placing the revised position before the AA only by way of a limited affidavit dated 31.07.2025 does not discharge the obligation of Mr. Jitendra Palande to proactively seek and obtain the AA's sanction for the modification before, or contemporaneously with, acting upon it. The limited affidavit was filed placing on record

the revised status of Sattvam's claim. The affidavit stated that Sattvam's claim had been reduced from the amount claimed to ₹3 crore, as the interest component was found unsupported by any agreement. It further recorded that, in view of the adverse observations made by the AA in its order dated 30.01.2024, the reduced claim was subjected to re-verification and Sattvam was called upon to furnish supporting documents. Upon failure to provide the requisite documentation or respond to the communications dated 20.07.2025 and 28.07.2025, the claim was ultimately rejected in full. The affidavit also noted that Sattvam had neither challenged the rejection of its claim nor responded to the said communications. The DC cannot accept the submission.

2.1.27. The DC notes the submission of Mr. Jitendra Palande that no challenge was preferred by Sattvam under Section 42 of the Code and that the revised claim position has accordingly attained finality. The creditor's failure to invoke Section 42 cannot cure a liquidator's own failure to comply with the procedural safeguards built into Regulation 31(3) and 31(5)(d), nor can it validate a process that was not transparently conducted vis-à-vis the SCC and the AA in the first instance. Finality of the claim amount, even if assumed, is distinct from the question of whether the liquidator discharged his regulatory obligations in arriving at and giving effect to that revision. Accordingly, the DC cannot accept the submission.

2.1.28. The DC notes the submission of Mr. Jitendra Palande that continuous attempts were made to upload the modified list of stakeholders on the Board's electronic platform, but the process could not be completed due to a technical error on the IBBI website. The DC further notes that, the screenshot relied upon by Mr. Jitendra Palande reflects an error dated 13.12.2025. However, as per his own submissions, the claim of Sattvam Ventures was revised in July 2025 itself, as evidenced by the email communications dated 20.07.2025 and 28.07.2025. Therefore, the screenshot does not explain the absence of compliance during the intervening period from July 2025 to December 2025.

2.1.29. The DC further notes the submission of Mr. Jitendera Palande that the updated list of stakeholders was ultimately uploaded only on 09.12.2025 with the assistance of the IBBI's IT team. The DC further notes from the records that Mr. Jitendra Palande attempted to submit the updated list of stakeholders on five occasions, namely four times on 24.12.2025 and once on 29.12.2025, in respect of the updated list of stakeholders as on 28.07.2025. However, the three submissions made on 24.12.2025 and submission made on 29.12.2025 were rejected by the Board with the remark, *"Please arrange to enclose the view files in all the categories of creditors."* Thus, the material available on record indicates that the rejection of the submissions was on account of deficiencies in the documents uploaded and not due to any technical malfunction of the Board's electronic platform.

2.1.30. The proximity between the issuance of the SCN and the subsequent upload, coupled with the absence of any prior correspondence with the Board reporting the alleged technical issue, indicates that the corrective action was undertaken in response to the issuance of the SCN rather than as part of a genuine and continuous effort to comply with the applicable regulatory requirements during the period from July 2025 to December 2025.

2.1.31. In view of the foregoing analysis, the DC is of the view that Mr. Jitendra Palande failed to proactively apply to the Adjudicating Authority under Regulation 31(3) of the Liquidation Regulations for modification of the entry in the list of stakeholders. Further Mr. Jitendra Palande failed to file the modified list of stakeholders on the electronic platform of the Board in a timely manner as required under Regulation 31(5)(d) of the Liquidation Regulations, the upload having occurred only on 09.12.2025, after issuance of the SCN, and without any record of escalation of the claimed technical error to the Board prior to that date.

2.1.32. Accordingly, the DC finds Mr. Jitendra Palande failed to timely inform the creditor, SCC, or AA about the revision in the claim or reduction in voting share and is in contravention of Regulation 31(3) and 31(5)(d) of Liquidation Regulations along with Clause 13 and 14 of the Code of Conduct.

2.2 Failure to convene SCC meetings in accordance with the prescribed timelines.

2.2.1 It is noted that as per Regulation 31A (6) of the Liquidation Regulations *"(6) The IP 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 IP from members, individually or collectively, having at least thirty three percent of the total voting rights, the IP shall mandatorily convene the meeting."
The further proviso to Regulation 31A(6) inserted and came into force on 12.02.2024 further states as under.
Provided further that the IP 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.

2.2.2 Upon examination of records, it is noted that no SCC meeting was held during 2024, even after the amendment dated 12.02.2024, which mandated at least quarterly meetings.

2.2.3 Mr. Jitendra Palande in his reply to the Board, stated that since an application regarding the distribution of proceeds was pending before the AA, and the order in that matter was delivered only in September 2024, no SCC meetings were convened during that period. Mr. Jitendra Palande further stated that there was no actionable agenda apart from the issue pending before the AA and that, based on informal consensus among SCC members, it was decided to defer the meetings until the outcome of the application. It is, however, noted that the provisions of Regulation 31A(6) are mandatory in nature and does not permit discretion upon the SCC or the Liquidator with regard to the frequency for conduct of SCC meetings.

2.2.4 It is therefore observed that Mr. Jitendra Palande failed to convene SCC meetings within the timelines mandated under Regulation 31A (6) of the IBBI (Liquidation Process) Regulations, 2016 (as amended w.e.f. 12.02.2024). No meeting was held in 2024, nor is there any record of SCC approval to defer the same.

2.2.5 Thus, Board, is of the prima-facie view that Mr. Jitendra Palande had contravened Regulation 31(3), 31(5)(d), 31A(6) of the IBBI (Liquidation Process) Regulations, Regulation 7(2) (a) and (h) of Insolvency Professionals Regulations, hereinafter referred to as (IP Regulations) read with Clause 13 and 14 of the Code of Conduct.

Submissions by Mr. Jitendra Palande.

2.2.6 Mr. Jitendra Palande submitted that during the period from February 2024 to September 2024, an application filed by the Liquidator seeking approval for the distribution of assets under Regulation 38 of the Liquidation Regulations was pending adjudication before the AA and the outcome of the said application was central to the future course of the liquidation process. Mr. Jitendra Palande further submitted that pending adjudication of the said application, no irreversible or substantive step relating to asset realisation or distribution could be undertaken because no prospective buyer/bidder expressed any interest in the assets. Accordingly, the Stakeholder communications during this period were therefore directed towards awaiting the decision of the AA. No SCC meeting was convened during this interregnum as no actionable decision could be undertaken pending adjudication however, stakeholders were kept informed through ongoing communications.

2.2.7 Mr. Jitendra Palande further submitted that upon receipt of the order dated 06.06.2024 of the AA in September 2024, whereby the distribution application was rejected, and directions were issued to explore private sale. Mr. Jitendra Palande promptly initiated steps towards private sale in consultation with stakeholders. The meetings with secured creditors were convened in February 2025, followed by SCC meetings in April and May 2025. Between 24.05.2025 and 30.05.2025, five SCC meetings were convened to deliberate on the private sale process and related matters.

2.2.8 Mr. Jitendra Palande submitted that on 10.06.2025, he received a communication purporting to requisition a meeting of the SCC. At the relevant time, the independent Auditor was carrying out this process of verification strictly in accordance with the provisions of Code and there were unresolved inconsistencies relating to the identity and authorisation of the sender of the communication, which were under verification in connection with the re-verification of the creditor's claim. In view of the ongoing verification and the meetings already convened immediately prior thereto, Mr. Jitendra Palande proceeded to complete the verification exercise. Mr. Jitendra Palande further submitted that notices of SCC meetings were duly issued, and minutes were recorded and circulated in accordance with the Liquidation Regulations.

Analysis and Findings of the DC.

2.2.9 Regulation 31A(6) of the Liquidation Regulations provide as follows:

"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.

……..."

2.2.10 Regulation 31A(6) of the Liquidation Regulations places a mandatory obligation on the liquidator to convene the first meeting of the Stakeholders' Consultation Committee within seven days of the liquidation commencement date, to hold subsequent meetings at regular intervals within thirty days of the previous meeting, unless extended by the committee, and to mandatorily convene a meeting upon a request from members holding at least thirty-three percent of the total voting rights. Further, at least one meeting is to be convened in each quarter. This provision came into effect by IBBI's Notification No. IBBI/2023-24/GN/REG112 dated 12th February 2024 to be effective from 12.02.2024.

2.2.11 The DC notes Mr. Jitendra Palande's submission that no SCC meeting was convened between February 2024 and September 2024 because the distribution application was pending before the AA and no irreversible step could be taken in the interim. The DC notes that the pendency of an application before the AA does not, by itself, render a quarterly SCC meeting redundant. The very purpose of a quarterly meeting under the amended Regulation 31A(6) is to keep the SCC apprised of the status of the liquidation process, including the status of matters pending before the AA, and to afford the SCC an opportunity to deliberate on the course to be adopted, irrespective of whether a final decision is imminent.

2.2.12 The DC notes the submission of Mr. Jitendra Palande that there existed an "informal consensus among SCC members" to defer the meetings. In support thereof, reliance has been placed by Mr. Jitendra Palande on an email dated 27.03.2024 from one SCC member stating that there was nothing to discuss until the Distribution Application was disposed of and that they would await the outcome of the application. The DC also notes that the email relied upon represents the view of only one SCC member and no contemporaneous communications from the remaining SCC members evidencing a collective decision or consensus have been placed on record. In any event, Regulation 31A(6) of the Liquidation Process Regulations does not permit the SCC, whether formally or informally, to dispense

with the mandatory requirement of holding meetings at least once in every quarter. The only flexibility available under the Regulation is for the SCC to extend the interval between meetings through a duly recorded decision, which is distinct from dispensing with quarterly meetings altogether. However, the DC further notes that the Distribution Application was subsequently disposed of by the AA vide order dated 06.06.2024. Despite the disposal of the application, the requisite steps for convening SCC meetings were not taken promptly and the compliance was undertaken only in the year 2025.

2.2.13 The DC notes Mr. Jitendra Palande's submission that upon receipt of the AA's order in September 2024, Mr. Jitendra Palande promptly initiated steps towards private sale, with secured creditor meetings convened in February 2025 and SCC meetings following in April and May 2025. The DC notes that the entirety of calendar year 2024 (following the amendment dated 12.02.2024), passed without a single SCC meeting being convened. The subsequent meetings convened in 2025 do not retrospectively remedy the failure to hold meetings in each quarter of 2024 as mandated even if the same is considered consequent to the AA order dated 06.06.2024.

2.2.14 The DC notes the submission of Mr. Jitendra Palande that the communication received on 10.06.2025 purporting to requisition an SCC meeting could not be acted upon because the independent auditor was carrying out verification and there were unresolved inconsistencies relating to the identity and authorisation of the sender. The DC notes that the doubts as to the authorisation of the person requisitioning a meeting, even if genuinely held, could not have justified the prior default in convening the mandatory quarterly meetings through the whole of 2024, a period unconnected to the question of Sattvam's claim verification, which only arose in June 2025.

2.2.15 In view of the foregoing, the DC finds that Mr. Jitendra Palande failed to convene SCC meetings within the timelines mandated under Regulation 31A(6) of the Liquidation Regulations, as amended with effect from 12.02.2024. No SCC meeting was convened at any point during the year 2024, despite the mandatory quarterly requirement and disposal of the distribution application by AA order dated 06.06.2024, and there is no record of any SCC, sanctioned extension of the period between meetings.

2.2.16 Accordingly, the DC holds that Mr. Jitendra Palande in contravention of Regulation 31(3), Regulation 31(5)(d), and Regulation 31A(6) of the IBBI (Liquidation Process) Regulations, 2016, and Regulation 7(2)(a) and (h) of the IBBI (Insolvency Professionals) Regulations, 2016, read with Clauses 13 and 14 of the Code of Conduct for Insolvency Professionals.

3. Order.

3.1. In view of the foregoing discussion, the DC in exercise of the powers conferred under Section 220 of the Code read with Regulation 13 of the IBBI (Inspection and Investigation) Regulations, 2017 hereby suspends the Authorisation for Assignment of Mr. Jitendra Palande (Registration No. IBBI/IPA-003/IP-N00028/2017-2018/10188) for a period of six months.

3.2. This order will come into effect from the date of issuance of this order.

3.3. A copy of this order shall be sent to the CoC/ Stakeholders Consultation Committee (SCC) of all the Corporate Debtors in which Mr. Jitendra Palande is providing his services.

3.4. A copy of this order shall be forwarded to Insolvency Professional Agency of Institute of Cost Accountants of India where Mr. Jitendra Palande is enrolled as a member.

3.5. 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.

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

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

Dated: 06 October 2026
Place: New Delhi