

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH**

MA 2321/2019

CP/82/I&BC/NCLT/MB/MAH/2018

Under Section 10 of the Insolvency and
Bankruptcy Code, 2016

In the Application of

Pegasus Asset Reconstruction Pvt. Ltd.

In the matter of

Print House (India) Private Limited

...Petitioner/Corporate Applicant.

Date of Order: 02.08.2019

Coram: M. K. Shrawat, Member (Judicial)

For the Applicants:-

Advocate B. Gopalakrishnan i/b S.K. Singhi & Co., for Financial Creditor Pegasus ARC.
Sneha Phene i/b S. Raghunath & Co., for Resolution Professional.

Per: M. K. Shrawat, Member (Judicial)

ORDER

MA 2321/2019

1. This is an application filed by Pegasus Asset Reconstruction Pvt. Ltd., one of the members of CoC of Print House (India) Pvt. Ltd. (Corporate Applicant), seeking an order for substitution of existing RP Mr. Vineet Gangwal and to appoint Mr. Manish Kumar Baldev as the new RP.
2. The CIRP of the Corporate Applicant was initiated on 09.10.2018 and Mr. Vineet Gangwal was appointed as the IRP. The IRP was confirmed as the RP during the 1st CoC meeting dated 28.12.2018. The Applicant's share in the total outstanding claims is 70.05%. The Applicant states that the RP, in violation of the accepted norms and principles laid down under the Code, had undertaken certain deals and actions in connivance with the Promoters of the Corporate Debtor.
3. It is further submitted that an auditor was appointed to unearth the various activities of RP in collusion with the Promoters of the Corporate Debtor. The Audit Report throws a light on the 'Related Party', 'Undervalued' and "Preferential Transactions' undertaken by the RP. It is also discovered that the RP acted in collusion with ex-promoter/directors and were jointly operating all the active bank accounts of the Corporate Debtor. Certain other allegations have also been made against the RP.

4. Hence, this application for substitution and replacement of RP is filed pursuant to a resolution passed in the CoC meeting dated 17.06.2019.
5. In reply to the allegations made, the RP states that the Applicant, having the majority voting share, has been attempting to vitiate the CIRP process by pressurising the RP to act in a manner beneficial to the interest of the Applicant. It is further stated that the resolution for replacing the RP has been passed only by the Applicant as the other members of CoC abstained from voting. The RP has countered all the allegations made by the Applicant pertaining to transactions appearing in Auditor's report.
6. After taking into account the submissions made and without adjudicating on the allegations levelled against the present RP Mr. Vineet Gangwal, being under the jurisdiction of IBBI thus no order is warranted by this forum, it is hereby ordered that Mr. Vineet Gangwal is to be substituted by Mr. Manish Kumar Baldev who has placed his consent to act as RP on the requisite Form.
7. The outgoing RP shall handover the documents pertaining to CIRP to the incoming RP.
8. The CoC members shall ratify the CIRP cost and the professional fees of the outgoing RP.
9. MA 2321/2019 for Substitution of RP Allowed. Ordered accordingly.

Date: 02.08.2019

SD/-

M.K. Shrawat
Member (Judicial)