

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI**  
**Company Appeal (AT) (Insolvency) No. 1008 of 2020**

**In the matter of:**

**Diwan Chand Arya**

**....Appellant**

**Vs.**

**Government of Sikkim & Ors.**

**....Respondents**

**Present:**

**Appellant:            Mr. Pradeep Dahiya, Advocate.**

**ORDER**

**(Through Virtual Mode)**

**23.11.2020:**        Appellant- Mr. Diwan Chand Arya acting as Resolution Professional was replaced by Mr. Debrath Rana in terms of the impugned order dated 11<sup>th</sup> November, 2020 passed by the Adjudicating Authority (National Company Law Tribunal), New Delhi, Court-IV during the Corporate Insolvency Resolution Process against 'Sikkim Hydro Venture Limited'- (Corporate Debtor). The impugned order came to be passed on the application filed under Section 22 of the Insolvency and Bankruptcy Code, 2016 for replacement of Appellant which was based on 4<sup>th</sup> Committee of Creditors meeting. It emerges from the impugned order that the Appellant declined to place agenda of his replacement for voting before the Committee of Creditors who after deliberation confirmed the replacement of the Resolution Professional and replaced him with Mr. Debrath Rana with 97.98% voting shares.

2.        After hearing Mr. Pradeep Dahiya, Advocate representing the Appellant assailing the impugned order being not in conformity with the provisions of the Insolvency and Bankruptcy Code, 2016 besides seriously denting the image of the Appellant as Resolution Professional, we find that the Power Department of Government of Sikkim being the major stakeholder had serious reservations

Contd/-.....

about the conduct of the Appellant and disapproved of his behavior and action. The decision was taken to remove the Resolution Professional as the Committee of Creditors was not satisfied with the conduct of Corporate Insolvency Resolution Process by him. It cannot be termed to be a case of casting any stigma on the conduct of the Appellant. If the conduct of Corporate Insolvency Resolution Process was disapproved by the Committee of Creditors and he lost their confidence, the Appellant has no vested right of foisting himself on the Committee of Creditors for his continuance. The removal having the requisite majority vote shares cannot be held to be flawed in any manner. Since there are no adverse observations against the Appellant alleging or attributing any misconduct to him, there is no occasion for expunging of any such remarks.

We find no merit in this appeal. It is accordingly dismissed. No costs.

**[Justice Bansi Lal Bhat]**  
**Acting Chairperson**

**[Justice Anant Bijay Singh]**  
**Member (Judicial)**

**[Shreesha Merla]**  
**Member (Technical)**

*AR/g*