

**IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI**  
**COURT - IV**

Item No. 203  
New IA/5622/ND/2024 in IB/1061/ND/2018

**IN THE MATTER OF:-**

**Modi Distillery  
Versus**

**Gagan Distillers and Beverages Pvt. Ltd.**

**... Operational Creditor**

**.... Corporate Debtor**

**AND IN THE MATTER OF:**

**Suresh Kumar Bansal Liquidator  
Gagan Distillers and Beverages Pvt. Ltd. (In Liquidation)**

**.... Applicant**

**Under Section 9 of the Insolvency & Bankruptcy Code, 2016.**

**Order delivered on 27.11.2024**

**CORAM:**

**MR. MANNI SANKARIAH SHANMUGA SUNDARAM,  
HON'BLE MEMBER (JUDICIAL)**

**DR. SANJEEV RANJAN,  
HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

For the Liquidator : Ms. Rishi Singhal, Adv.  
For Gagan Doda : Mr. Tabrez Malawat, Ms. Rupali Jain,  
Mr. Syed Hamza, Mr. Sourajit Sarkar, Advs.

**HYBRID HEARING (PHYSICAL & VC)**

**ORDER**

**New IA/5622/ND/2024**

1. This is an Application filed by Mr Suresh Kumar Bansal, Liquidator of M/s Gagan Distillers & Beverages Pvt Ltd, under Section 60(5) (c) Rule 11 of National Company Law Tribunal Rules, 2016 with the following prayers:

- a. *Pass an order for replacement of the applicant / present liquidator with a new liquidator, Shri Parvinder Singh whose registration no is IBBI/IPA-001/IP-P01603/2019-2020/12468 or any other Insolvency Professional, to act as liquidator for the present matter.*
- b. *Pass such other order as this Hon'ble Adjudicating Authority may deem fit and proper in this matter.*



2. The Applicant submits that Mr. Suresh Kumar Bansal was appointed as Liquidator of the Corporate Debtor (M/s. Gagan Distillers & Beverages Pvt Ltd) vide order dated 08.01.2020.
3. It has been submitted by the Applicant that that during the liquidation process, the liquidator submitted various progress reports on quarterly basis mentioning the details of events during respective quarters pertaining to the liquidation of the assets of the corporate debtor.
4. It has been submitted that Liquidator has sold all the assets of the corporate debtor and distribution of the proceeds among the secured creditor as per Section 53 of the Insolvency and Bankruptcy Code, 2016.
5. That on 19.11.2022, the liquidator has filed the IA 6313 of 2022 under Section 54 of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of NCLT Rules, 2016, for dissolution of the corporate debtor which is pending before this Adjudicating Authority.
6. The Applicant/Liquidator has submitted that he has been diagnosed with dementia due to advanced age, rendering him unable to handle the present assignment or perform related tasks effectively. The Liquidator, aged 73, has only the current case under his purview. He has further submitted that He cannot be assigned any fresh case after the age of 70 and is thus not having valid Authorisation for Assignment.
7. The Liquidator convened a Stakeholders Consultation Committee (SCC) meeting on 10.10.2024 to seek recommendations for his replacement on health grounds. During the meeting, the Liquidator proposed the appointment of Shri Parvinder Singh, an Insolvency Professional with registration number IBBI/IPA-001/IP-P01603/2019-2020/12468, as the



alternate Liquidator. Shri Parvinder Singh has consented to replace Shri Suresh Kumar Bansal as Liquidator in the matter on health grounds and has confirmed that he will not charge any fees for serving as the Liquidator.

8. Upon review of the record, it has come to our attention that the valid Authorization for Assignment (AFA) of the Liquidator expired on 20.10.2021. It is surprising that the Applicant/Liquidator has continued to discharge the role of Liquidator without proper authorization. Despite the expiration of the Learned Resolution Professional's (RP) Authorization for Assignment (AFA) on 20.10.2021, no request has been made to replace the Liquidator. It is perplexing that the liquidation process of the Corporate Debtor has been ongoing for such a prolonged period without a valid AFA. Additionally, the medical report from the Civil Hospital, as recently as 19.02.2024 and attached to the application, highlights the inconsistency, as the AFA had expired years earlier on 20.10.2021. It is difficult to understand how the Liquidator remained unaware of the expiration of their registration while continuing to perform their functions without proper authorization.

9. The Authorization for Assignment (AFA) of the Applicant/Liquidator, as retrieved from the IBBI portal, is reproduced below:

INSOLVENCY PROFESSIONALS		
Home > Insolvency Professionals > Mr. Suresh Kumar Bansal >		IBBI/IFA/002/IP-N00605/2016-2019/11863
> IP Details		
> AFA Details		
> Assignment Details		
> Assignment Analytics		
> CPEDetails		
> Orders		
> Work Experience		
<b>Authorization for Assignment</b>		
Valid AFA		No
AFA certificate no		NA
AFA Start Date		NA
AFA Valid Upto		NA
<b>AFA History</b>		
AFA Certificate no.	Valid From	Valid Upto
AA2/11863/02/211021/200896	04-Dec-20	21-Oct-21
AA2/11863/01/121220/200103	13-Dec-19	12-Dec-20



10. It has come to our attention that the Authorization for Assignment (AFA) of the Liquidator expired on 21.10.2021, and yet he continued to act in his capacity as the Liquidator of the Corporate Debtor. This conduct is a matter of grave concern and amounts to a serious dereliction of statutory and professional duties. The Liquidator, being a key fiduciary under the Code, is required to comply with all regulatory mandates, including holding a valid AFA as stipulated under the Insolvency and Bankruptcy Board of India (IBBI) regulations.
11. It is particularly alarming that the Liquidator not only continued in the role without a valid AFA but also sought extensions of the liquidation period and submitted quarterly progress reports during this period. These actions, undertaken without proper authorization, constitute a direct violation of established legal and regulatory frameworks. The absence of a valid AFA fundamentally undermines the legitimacy of the Liquidator's actions and raises significant questions about the validity of the processes undertaken and decisions made during this period.
12. This blatant non-compliance reflects a serious lapse in professional accountability and ethical standards, eroding the integrity of the insolvency process. The Liquidator's failure to report the lapse in his AFA to the IBBI further aggravates the situation, demonstrating a disregard for statutory obligations and transparency.
13. In light of these findings, we direct that the matter be reported to the Insolvency and Bankruptcy Board of India (IBBI) for a detailed investigation into the actions of the Liquidator post-expiry of his AFA. The IBBI should take appropriate action against the Liquidator to address this egregious



breach of duty. The continuation in office without valid authorization since 21.10.2021 is a clear violation of the law and warrants immediate scrutiny to ensure compliance with the principles of the Code and the protection of stakeholders interests.

14. In view of the circumstances, as mentioned in above, we find it appropriate and to order the replacement of the Liquidator.
15. Mr. Parvinder Singh, the Insolvency Professional having Registration No. IBBI/IPA-001/IPP01603/2019-2020/12468 is hereby appointed as liquidator of the Corporate Debtor. Outgoing Liquidator is released from the assignment and is directed to hand over the entire charge, papers, documents and legal documentation to the new Liquidator. The newly appointed Liquidator is directed to complete the liquidation process expeditiously.
16. In view of above, the **I.A. No. 5622/ND/2024** in **IB/1061/ND/2018** is allowed and disposed of.

Sd/-  
**DR. SANJEEV RANJAN**  
**MEMBER (TECHNICAL)**

Sd/-  
**MANNI SANKARIAH SHANMUGA SUNDARAM**  
**MEMBER (JUDICIAL)**