

NATIONAL COMPANY LAW TRIBUNAL
COURT-V, MUMBAI BENCH

1.IA/4776/2024C.P. (IB)/2729(MB)2019

IN THE MATTER OF

Punjab National Bank
Vs
Dream Merchant Content Pvt ltd

U/s 7 of the Insolvency and Bankruptcy Code, 2016

Order Delivered on 16.10.2026

CORAM:
SH. VINAY GOEL
MEMBER (J)

SH. CHARANJEET SINGH GULATI
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Petitioner: Adv. Ansh Agal (PH)

For the Respondent:

ORDER

IA/4776/2024: The above IA is listed for pronouncement of the order. The same is pronounced in open court, vide a separate order.

Sd/-
VINAY GOEL
Member (Judicial)

//Rahul//

Sd/-
CHARANJEET SINGH GULATI
Member (Technical)

**NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, V**

IA (IBC) No. 4776 of 2024

IN

CP (IB) No. 2729 of 2019

IN THE MATTER OF

Markand Adhikari

Adhikari Villa, Fifth Floor, Hatkesh CHS,
Road No.7, PlotNo.46, JVPD, Ville Parle
(West), Mumbai- 400 056

... Applicant

Versus

Ms. Smita Gupta

*Liquidator for M/s Dream Merchant
Content Media Private Limited.*

Flat no. 702, 7th floor, Godrej Central J
Tower, Shell Colony, Near Tilak Nagar
Railway Station, Mumbai -400071

... Respondent

IN THE ORIGINAL MATTER OF

Punjab National Bank

...Financial Creditor

Versus

**Dream Merchant Content Private
Limited**

... **Corporate Debtor**

Order Delivered on: 16.10.2026

Coram:

Sh. Vinay Goel

Member (Judicial)

Sh. Charanjeet Singh Gulati

Member (Technical)

Appearance through VC/Physical/Hybrid Mode:

For the Applicant: Adv. Shyam Kapadia, Adv. Ansh Agal

Adv. Markand Adhikari (PH)

For the Respondent:

ORDER

IA (IBC) No. 4776 of 2024

1. The present Interlocutory Application 17.08.2024 has been filed by Markand Adhikari, member of ex-management of Dream Merchant Content Private Limited (**‘Corporate Debtor’**), under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (**‘IBC/the Code’**) with the following prayers:

- a. Allow the present application and remove the Liquidator appointed by this Hon’ble Tribunal vide Order dated 04.10.2023 in C.P.(IB) 2729/2019;*
- b. Pass any other proper and further order(s) which this Hon’ble Tribunal deems fit in the peculiar facts and circumstances of the present case.*

Brief facts as per the Application:

2. The Corporate Insolvency Resolution Process (**‘CIRP’**) of Dream Merchant Content Private Limited (**‘Corporate Debtor’**) was commenced

on 24.10.2019. Thereafter, vide order dated 04.10.2023, the Corporate Debtor was ordered to be liquidated and the Respondent was appointed as its Liquidator.

3. The Applicant submits that in the month of December 2023, the Respondent sought time for meeting and subsequently on 04.01.2024, the Respondent along with her husband visited the residential premises of the Applicant. The meeting was fixed for discussing ongoing liquidation proceedings.
4. It is submitted that, instead of discussing official work relating to the liquidation proceedings, the Respondent sought illegal gratification for work to be performed in her capacity as Liquidator and proposed a monetary deal concerning IA No. 1157 of 2021 in CP (IB) No. 2729 of 2019, filed by the erstwhile Resolution Professional and pursued by her against the Applicant. The Applicant refused to entertain such demands and explained that no case was made out in the said IA. Upon realising the Applicant's unwillingness to comply, the Respondent agreed to reconsider the documents, which she stated were previously unavailable.
5. It is also submitted that, pursuant to the understanding that the Applicant and the Respondent would meet to discuss the documents and information required from the Applicant, the Applicant's counsel, on 08.01.2024, sought permission to hand over the relevant documents to the Respondent for reconsideration, which was not opposed by the Respondent. Thereafter, on 10.01.2024, the Respondent's husband, Kunal Tayal, accompanied by Mr. Sourabh Malpani, approached the Applicant at his office claiming to represent the Respondent and sought a personal meeting. They subsequently visited the Applicant's residence on 21.01.2024 and allegedly raised demands for illegal gratification in connection with the

Respondent's official work. Despite the same, the Applicant continued to seek a meeting and, vide email dated 29.01.2024, requested the Respondent to convene one. The Respondent cited a medical emergency in her family and assured that she would contact the Applicant once available.

6. It is further submitted that the Respondent did not convene any meeting and it was only after 2 (two) months or so that the Respondent issued an email dated 28.02.2024 to the Applicant seeking documents in relation the concerned case.
7. Owing to the alleged unfair practices and professional misconduct of the Respondent, the Applicant states to have lodged a police complaint dated 05.03.2024, reported the irregularities to Punjab National Bank, the Financial Creditor, vide email dated 06.03.2024, and subsequently approached the Insolvency and Bankruptcy Board of India (**IBBI**) by filing Form A on 12.04.2024, detailing the alleged misconduct in the Respondent's discharge of her duties as Liquidator.
8. The Applicant submits that the Respondent has failed to discharge her professional duties in accordance with the objectives of the Code and the Code of Conduct prescribed under the First Schedule read with Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016. In view of such alleged professional misconduct and failure to discharge her duties diligently, the Applicant submits that the Respondent is liable to be removed as Liquidator under Section 276(1) of the Companies Act, 2013 ("**the Act**"). Hence, the present application.

Affidavit in Reply, in brief:

9. The Respondent/Liquidator though admits to visiting the Applicant's premises for official purpose with her husband on 04.01.2024 for official work relating to the liquidation proceedings, but denies the allegations of

seeking illegal gratification or a monetary deal in connection with her duties or pending IA No. 1157 of 2021.

10. The Respondent submits that neither her husband, Mr. Kunal Tayal, nor Mr. Sourabh Malpani was authorised to represent her in her official capacity as Liquidator in matters concerning the Corporate Debtor. She denies any knowledge of or consent to their alleged visits to the Applicant's office on 10.01.2024 and residence on 21.01.2024 to demand illegal gratification.
11. The Respondent submits that, in response to the Applicant's email dated 29.01.2024 seeking a meeting, she cited a medical emergency in her family and expressed her inability to commit to a date and time, assuring that she would get in touch once available. Further, vide email dated 20.02.2024, she requested the Applicant to submit additional documents for consideration and review in terms of the Tribunal's order dated 08.01.2024 and previous discussions, demonstrating her continued discharge of duties as Liquidator.
12. The Respondent contends that the police complaint dated 05.03.2024, email to Punjab National Bank dated 06.03.2024, and complaint to the IBBI dated 12.04.2024 are based on false allegations intended to exert undue pressure, prejudice her position, and delay the pending PUFE application. She further submits that the complaints have been duly responded to and no action has been taken by the concerned authorities.
13. The Respondent submits that the Applicant has failed to establish reasonable cause for her removal under Section 276(1) of the Act, 2013, as the allegations of misconduct, fraud, misfeasance, and professional incompetence are unsupported by evidence. She states that she has been discharging her duties as Liquidator fairly and diligently.

Affidavit in Rejoinder, in Brief:

14. The Applicant filed affidavit in rejoinder filed on 09.03.2026 wherein it is submitted that the Respondent's counsel, Mr. Akarsh Mathur, is associated with Mr. Sourabh Malpani as his Consultant - Vetting and Curing, as disclosed under IBBI Circular No. IP/005/2018 dated 16.01.2018. The Respondent, despite residing in Mumbai, has engaged counsel based in Jaipur who is professionally associated with Mr. Malpani and coupled with Respondent's marital relationship with Mr. Kunal Tayal, these circumstances raise serious concerns regarding independence, transparency and potential conflict of interest, and give rise to a reasonable apprehension of collusion and coordinated action to the Applicant's prejudice. Such conduct is contrary to the standards of independence and disclosure contemplated under the Code and the applicable Code of Conduct.
15. The Applicant further submits that appropriate disciplinary action may be considered by the Institute of Chartered Accountants of India against Mr. Kunal Tayal and by the Insolvency and Bankruptcy Board of India against Mr. Sourabh Malpani, in accordance with the applicable statutory provisions and regulations, for the alleged conflict of interest, breach of duties and non-compliance with disclosure requirements.

Analysis and Findings

16. We have heard the Ld. Counsels for the parties and perused the documents placed on record.
17. Through the present Interlocutory Application, the Applicant seeks removal of the Respondent as the Liquidator of the Corporate Debtor appointed vide order 04.10.2023 for the professional misconduct and failure to discharge duties of the Liquidator.

18. *Per contra*, the Respondent contends that no reasonable cause for removal of the Respondent under Section 276(1) of the Act, 2013 is made out, as the allegations of misconduct, fraud, misfeasance and professional incompetence are unsupported by evidence. The Respondent states that the complaints filed by the Applicant before the police on 05.03.2024 and the IBBI on 12.04.2024, and the email sent to Punjab National Bank on 06.03.2024, are based on false allegations, that due responses were given to each of them, and that no action has been taken against the Respondent till now. The Respondent submits that the duties of Liquidator have been discharged fairly and diligently.

19. As regards the Applicant's contention that the Respondent, directly or through her husband and Mr. Sourabh Malpani, sought illegal gratification in connection with her duties and pending IA No. 1157 of 2021, warranting her removal as Liquidator under Section 276(1) of the Companies Act, 2013, it is relevant to reproduce the Section 276(1) of the Companies Act, 2013:

"Section 276 – Removal and replacement of liquidator

The Tribunal may, on a reasonable cause being shown and for reasons to be recorded in writing, remove the provisional liquidator or the Company Liquidator, as the case may be, as liquidator of the company on any of the following grounds, namely: —

- (a) misconduct;*
- (b) fraud or misfeasance;*
- (c) professional incompetence or failure to exercise due care and diligence in performance of the powers and functions;*
- (d) inability to act as provisional liquidator or as the case may be, Company Liquidator;*

(e) conflict of interest or lack of independence during the term of his appointment that would justify removal.”

20. Upon plain reading of Section 276(1), it is clear that the Tribunal may remove the Liquidator only upon a reasonable cause being shown and for reasons recorded in writing, on any of the specified grounds in the said provision. In the present case, the Applicant has alleged fraud, misconduct and professional incompetence on the part of the Respondent as the Liquidator. We note that these allegations are serious in nature and cannot be conclusively determined without proper examination of evidence. They must be supported by material showing an act of fraud, misconduct or professional incompetence on the part of the Respondent. However, the material on record, do not conclusively prove any of such grounds leading to a reasonable cause warranting removal of the Respondent from her duties as Liquidator. Further, the Financial creditor would be the most affected person of any professional misconduct or fraud, if played by the Respondent. Notably, they are not the one seeking removal of the Respondent from her duties.

21. Also, it is a fact of the case that a complaint dated 12.04.2024 concerning the Respondent's alleged misconduct is pending before the IBBI, a police complaint has also been filed by the Applicant on 05.03.2024, and a complaint has been made to the Financial Creditor on 06.03.2024. The IBBI is the competent regulatory authority to examine the conduct of insolvency professionals and to take appropriate action under the Code and the applicable Regulations. Accordingly, any decision the IBBI takes on the complaint will bind the Respondent. Further, the respective police authorities will also take action in accordance with law.

22. In view of the facts and circumstances and discussion hereinabove, we are of the considered view that no prima facie case of fraud, misconduct or

professional incompetence is made out against the Respondent. Accordingly, IA No. 4776 of 2024 is **dismissed** and **disposed of**.

Sd/-

Vinay Goel
Member (Judicial)

Saumya, LRA

Sd/-

Charanjeet Singh Gulati
Member (Technical)