

PRELIMINARY REPORT OF GAGAN DISTILLERS AND BEVERAGES PVT LTD (UNDER LIQUIDATION).

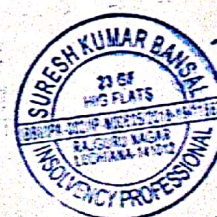
A) The Capital Structure of the Corporate Debtor : - The Capital Structure of the company Gagan Distillers & Beverages Private Limited as on Liquidation Commencement Date i.e. 08.01.2020 is as under:-

1.	SHARE CAPITAL	
	Particular	(Rs.)
a.	Authorized Share Capital 5000000 Equity Shares of Rs10 each	50000000
b.	Issued, Subscribed and Fully Paid Up Equity Shares 1155000 Equity Shares of Rs. 10 each (less call in arrears _nil_)	115500000

c.	Reconciliation of Shares Outstanding at the beginning and at the end of the reporting period		
		No. of Shares	Amount (Rs.)
	At the beginning of the period	1155000	115500000
Add	Shares issued during the period		0
Less	Shares bought back during the period		0
	Outstanding at the end of the period	1155000	115500000

B) The estimates of the assets and liabilities as on the liquidation commencement date based on books of the corporate debtor :-

D.	FIXED ASSETS	GROSS BLOCK AS ON 08.01.2020	
S.	Description	(Rs.)	
No.			
1	AC	100818	
2	Generator	63272	
3	Two wheelers (2)	25453	
4	Cars	7517244	
5	Other Vehicles	760032	
6	Factory Bathinda	2370500	
7	Furniture	197145	
8	Total *No charge given to RP	23924489*	
E.	Loan & Advances		
S. No.	Particulars	NON CURRENT (Rs.)	CURRENT(Rs.)
a)	Security Deposit		



	-Unsecured, considered good				23950
	Sub Total				23950
b)	Advance Recoverable in cash or kind				
	Unsecured, Considered good				
	Sub total				
c)	Other Loans & Advances				
	-Loans & advances to employees				0
	-Advances to suppliers				10000
	-Other Current Assets				
	Sub Total				10000
d)	Balance with Revenue Authorities				
	-MAT credit entitlement				22787554
	-Bal with Govt. Authorities				
	-Others				
	Sub Total				22787554
	Total				22821504

INVENTORIES (Valued At Lower of Cost or Net Realizable Value)					
S. No.	Particulars				
a)	- Raw Material				0
b)	-Work in progress				0
c)	-Finished Goods				0
	Sub total				0

F.	TRADE RECEIVABLES & OTHER CURRENT ASSESTS				
S. No.	Particulars	NON CURRENT		CURRENT	
a)	-Trade Receivables				270935051
b)	-Other/ Claim Receivable				
	Sub Total				270935051



G. Cash & Bank Balance

S.No.	Particulars		
a)	-On Current Account		20723
b)	-Cash on Hand		361
	Sub total		21084

LIABILITIES

B. LONG TERM BORROWINGS

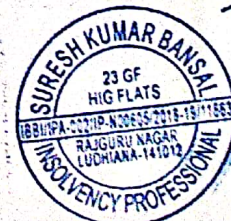
S.No.	PARTICULARS	NON CURRENT PORTION	
a)	Secured Loans		
	-Working Capital Loan		
	-Term Loan		
	-Other Loan		
b)	Unsecured Loans		
	-Other Loans		14895552
c)	Other Loans & Advances		
	Sub Total		14895552

5. DEFERRED TAX LIABILITIES

S.No.	PARTICULARS	NON CURRENT PORTION	
a)	Deferred Tax liability		0
	-Gross deferred tax liability		
	Sub Total		0
b)	Impact of unabsorbed depreciation arising under Income Tax Act, 1961		0
c)	Impact of expenditure charged to P&L in the current year but not allowed for tax purpose on payment basis		0
	Sub Total		0
	Net deferred tax liability		0

6. LONG TERM PROVISIONS

S.No.	PARTICULARS	NON CURRENT PORTION	
	Provision for employee benefit		0
	-provision for gratuity		0
	-provision for leave Benefit		0
	-Plan Assets		0
	-Gratuity Payable		0
	Total		0



A. CURRENT SHORT TERM BORROWINGS

S.No.	PARTICULARS	CURRENT PORTION	
a)	Secured working capital loans from banks:		
	-Indian Rupee Loans		196697516
	Total		196697516

C. TRADE PAYABLE

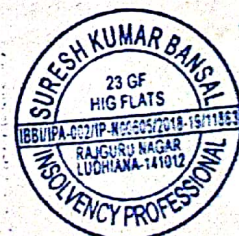
S.No.	Particulars		
	-Trade Payable (including outstanding due to micro, small and medium enterprises)		56252000
	Sub total		56252000

9. OTHER CURRENT LIABILITIES

S.No.	PARTICULARS	NON CURRENT PORTION	
a)	Loans and Advances		
	-Income received in advance from Customers		0
b)	-Other payables		0
	-Employees related expenses payable		0
	-Electricity Expenses payable		0
	-Security Payable		0
	-Expenses outstanding		0
	Total		0

Provided that if the liquidator has reasons to believe, to be recorded in writing, that the books of the corporate debtor are not reliable, he shall also provide such estimates based on reliable records and data otherwise available to him;

The status of sundry debtors has changed after initiation of CIRP on 10.04.2019. Matter taken up with corporate debtor. Forensic Audit has been got done and application under PUFEE is in the process of being filed. Most of sundry debtors relate to related parties and is a case of wrong classification (it should have been advance to related parties).



C. Whether, he intends to make any further inquiry in to any matter relating to the promotion, formation or failure of the corporate debtor or the conduct of the business thereof;

D. The proposed plan of action for carrying out the liquidation, including the timeline within which he proposes to carry it out and the estimated liquidation costs.

- Notice for NCLT Orders dated 08.01.20 placing the company under liquidation was issued.
- Public Announcement was made in Business Standard (English) and Jan Satta (Hindi) newspapers of Delhi & NCR on 12.01.2020.
- Claims were received from the only Operational creditor M/s Modi Distillery and only Financial Creditor Punjab National Bank. The claims were scrutinized, verified and admitted accordingly. List of stakeholders has been prepared. Also, both of them have been duly informed about the same.
- Notice was sent to Mr Neeraj Chawla CA of the company to arrange soft copy of the accounts of the company as already asked by the RP. Also he was asked to get the ABS as at 31.03.2019 duly signed by the Directors of the company. I have received soft copy of all ledger accounts of the company for the last two years and also signed ABS as on 31.03.2019. Further provisional balance sheet as on 08.01.2020, i.e. liquidation commencement, date has also been received.
- I visited the Flat of the company at Rohini New Delhi and in view of the notice for handing over its vacant possession was received back as undelivered, notice was affixed outside the flat. An email was also sent to Shri Gagan Doda for the said notice.
- Punjab National Bank, the only Financial Creditor, has desired to realize the security interest (Flat No. 227, IVth Floor, Dharmkunj Apartments, Sector 9, Rohini, New Delhi worth average liquidation value of Rs. 1.85 Crs) and not to relinquish the same in favour of liquidator. Permission to Financial Creditor for realization of security interest in Flat No. 227, Dharmkunj Apartments, sector 9, Rohini strictly in terms of various sections of IBC Code, 2016 and Regulations for Liquidation Process has been sent.
- Agriculture land admeasuring 403 K 15 marlas is owned by the company as per Balance Sheet. Fard Jamabandi has been perused. It is observed that it is in the old name of the company. On taking up with the company, copies of RoC certificate dated 20th May, 2013 and both the PANs(in old name and new name) have been obtained.



- Further, the Excise Department, Bathinda has got a red marking on the said piece of Agri. land for the dues of another group company. Matter has been taken up with concerned authority to remove the red marking so that further action for its sale by auction could be taken up. IRP/RP has not got this land valued from the approved valuer. Steps have now been taken to get its valuation done.
- Stakeholders Consultative Committee has been formed and both, FC and OC, have been inducted as members.
- Liquidation Estate and Asset Memorandum have been prepared.
- Valuers have been appointed for valuation of Financial Assets on the basis of Balance Sheet as on 08.01.2020, Liquidation Commencement Date.
- Although Liquidation Cost has been estimated at Rs. 10 lac by the CoC in its 5th meeting, it is likely to increase because of lower estimate for valuation of - financial assets and land & Building etc.
- RP had appointed Auditors for Forensic Audit of the company and their Audit Report has been received. In view of the irregularities observed by him, matter has been handed over to the Advocate for filing an application with Hon'ble NCLT.

NOTE:

1. Further plan for liquidation of assets (Agri land at Village Kallar Khera) shall be drawn only after red marking in the revenue record by Excise Deptt Bathinda, is deleted.
2. There is likelihood of cost escalation on account of valuation of assets (both Financial assets and Land & Building) and legal expenses.

Kindly take all this Preliminary Report on record and oblige.

