

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
18-06-2026 AT 12:45 PM**

**CP(IB) No. 199/7/HDB/ 2019
AND
IA (IBC) 2352/2024 in CP(IB) No. 199/7/HDB/ 2019
u/s. 7 of IBC, 2016**

IN THE MATTER OF:

IDBI Bank Ltd

...Financial Creditor

AND

Aster Pvt Ltd

...Corporate Debtor

C O R A M:-

**SH. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SH. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

ORDER

IA (IBC) 2352/2024

Present: Ms. Akanksha Nehra, Ld. Counsel for the Applicant.

Orders pronounced, recorded vide separate sheets.

In the result, this application is dismissed.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

IN THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH - I

IA (IBC) No. 2352/2024

in C.P. (IB) No. 199/7/HDB/2019

*Filed under Section 60(5) of the Insolvency and Bankruptcy Code, 2016,
and Rule 11 of the National Company Law Tribunal Rules, 2016*

Between:

Puissant Global Private Limited

Through its Authorized Representative
Having its Corporate office at:
Puissant Global Private Limited,
Unit No. 204, Ashoka Capitol,
Road No.2, Banjara Hills, Hyderabad – 500034.

.... Applicant

Versus

1. Office of the Commissioner, Bhoothpur Municipality,

Bhoothpur Municipality, Mahabubnagar District,
Through the Municipal Commissioner
Email: mbnrmppty@gmail.com
Phone Number: 7331184222, 9849905920

2. Sub-Registrar, Jadcherla

Address: Signal Gadda, Badepally, Jadcherla
Email: SR.MBNR.Jadcherla@igrs.ap.gov.in
DR.MBNR.Mahaboobnagar@igrs.ap.gov.in

Phone Number: 08542235544

3. Tahsildar Bhoothpur

Having office at: Mahabubnagar, SH-20,
Mahabubnagar, Nagarkurnool Road,
Bhoothpur, Telangana – 509001

Phone Number: 9000101450

Email: tah-btpr-rev@telangana.gov.in

4. CA Naren Sheth

Liquidator of Aster Private Limited

Having office at:

1014, Prasad Chamber, Tata Road No.1,

Opera House, Mumbai, Maharashtra - 400004

... Respondents

In the matter of:

IDBI Bank Limited

... Financial Creditor

Versus

Aster Private Limited

... Corporate Debtor

Date of Order: 18.06.2026

Coram:

Hon'ble Sri Rajeev Bhardwaj, Member (Judicial)

Hon'ble Sri Sanjay Puri, Member (Technical)

Counsel present:

For the Applicant : Mr. VVSN Raju, Counsel

For the Respondent No.1 : Mr. Krishna Reddy Putta, Advocate

For Respondent No.2 : ***Set exparte***

For Respondent No.3 : Ms. M.Geetha, Dy.Tahsildar

For the Respondent No.4 : Mr. VVSN Raju, Counsel

ORDER

1. This application is filed by M/s. Puissant Global Private Limited¹ under Section 60 (5) of the Insolvency and Bankruptcy Code², 2016 Read with Rule 11 of the National Company Law Tribunal Rules, 2016, against the Respondents, inter alia, seeking the following reliefs:

1.1 Quash the Notice 08.09.2023 issued by the Municipal Commissioner, Bhoothpur Municipality, Mahabubnagar District i.e., Respondent No.1 giving directions to Sub-registrar, Jadcherla i.e., Respondent No.2 and Tahsildar, Bhoothpur i.e., Respondent No.3 to not entertain any registration for the following properties:

1.1.1 Non-Agricultural Land admeasuring 67.40 Acres & Building (With a built-up area of 77,500 Sq. ft, including Plant & Machinery) located at Survey No.

¹ Applicant

² IBC

197(P), 198(P) & 251(P) of Bhoothpur village, Mahbubnagar District, Telangana.

1.1.2 Non-agricultural Land situated at Sy.No. 197, 198(P), 207(P) & 251(P) of Bhoothpur village, Mahabubnagar District, Telangana – 34.3 Acres; or/and

1.2 Direct Respondents to record the name of the Applicant – Puissant Global Private Limited in their records as the owner of Said Property No. 1 and Said Property No. 2 in pursuance of the sale certificate dated 20.08.2024 and 05.10.2024, respectively, to be complied in a time-bound manner; or/and

1.3 Direct the Respondents to remove the restraints imposed on the access of the building and other portions of the Said Property No.1 and the Said Property No.2, including the locks, to be complied with in a time-bound manner; or/and

Case of the Applicant:

2. It is submitted that this Tribunal, vide order dated 16.12.2019, admitted M/s. Aster Private Limited into Corporate Insolvency Resolution Process (CIRP). Thereafter, vide order dated 22.09.2021 in IA (IBC) No. 685/2021 in CP (IB) No. 199/7/HDB/2019, this Tribunal initiated the liquidation process and appointed Mr. CA Naren Sheth³ as Liquidator.
3. In pursuance of the liquidation process, the Liquidator issued a Public Announcement specifying the last date for submission of claims as 22.10.2021.

³ Respondent No.4

Case Citation: (2026) ibclaw.in 2216 NCLT

NCLT, Hyderabad Bench-I

IA (IBC) No.2352 of 2024 in CP (IB) No.199/7/HDB/2019

Date of Order: 18.06.2026

4. It is further submitted that the Hon'ble National Company Law Appellate Tribunal, Chennai Bench, vide order dated 28.10.2021, stayed the liquidation process in respect of the Corporate Debtor. Thereafter, vide Order dated 23.02.2023 in Company Appeal (AT) (CH) (Ins.) No. 249 of 2021, the Hon'ble NCLAT dismissed the appeal and consequently vacated the stay on liquidation.
5. After the stay granted by the Hon'ble NCLAT was vacated, Respondent No. 4, the Liquidator, issued a notice dated 02.04.2024 proposing the e-auction of Non-Agricultural Land admeasuring 67.40 acres together with the building, plant, and machinery situated at Survey Nos. 197(P), 198(P), and 251(P) of Bhoothpur Village, Mahabubnagar District, Telangana (hereinafter referred to as "Said Property No. 1") on an "as is where is" basis. It is submitted that, prior thereto, Respondent No. 1 had issued a Demand Notice dated 08.09.2023 directing Respondents No. 2 and 3 not to entertain any registration in respect of Said Property No. 1 and Said Property No. 2.
6. In pursuance to the auction notice issued by the liquidator, the Applicant submitted its Expression of Interest along with the Bid Application Form and Earnest Money Deposit of Rs.4,68,00,000/- on 15.04.2024. The auction was conducted on 29.04.2024, wherein the Applicant was declared as the successful bidder for a bid amount of Rs.46,78,00,000/-, and a Letter of Intent dated 29.04.2024 was issued.
7. Thereafter, the Applicant made payments in respect of Said Property No.1, including EMD, Tranche-I and Tranche-II payments along with interest, aggregating to Rs.47,69,14,565/- (inclusive of interest of Rs.91,14,565/- at 12% per annum).

8. It is averred that simultaneously, an adjacent Non-Agricultural Land admeasuring 34.3 Acres situated at Survey Nos. 197, 198(P), 207(P) and 251(P) at Bhoothpur Village, Mahabubnagar District, Telangana (hereinafter referred to as “Said Property No.2”), belonging to the Corporate Debtor, was also sold by the Liquidator. The notice inviting Expression of Interest was published on 14.05.2024, and the Applicant submitted its Expression of Interest dated 23.05.2024 along with Bid Application Form and Earnest Money Deposit on 10.06.2024. The auction was held on 12.06.2024, wherein the Applicant was declared as the successful bidder for a bid amount of Rs.26 Crores, and thereafter paid the next tranche of Rs.3.9 Crores on 29.06.2024.
9. The Applicant made payments in respect of Said Property No.2, including EMD, Tranche-I and Tranche-II payments along with interest, aggregating to Rs.26,53,13,995/- (inclusive of interest of Rs.53,13,995/- at 12% per annum).
10. The Applicant filed two Interlocutory Applications bearing IA No. 1246 of 2024 and IA No. 1574 of 2024 in CP (IB) No. 199/7/HDB/2019 before this Tribunal seeking reliefs and concessions to enjoy Said Property No.1 and Said Property No.2 on a “clean slate basis”, including cancellation and extinguishment of dues claimed under Demand Notice issued by the Office of Commissioner of Bhoothpur Municipality demanding Rs.10,59,32,349/- towards property tax dues. During pendency of the said applications, upon completion of payments, Sale Certificates dated 20.08.2024 and 05.10.2024 were issued by the Liquidator in favour of the Applicant.

11. However, this Tribunal did not grant relief pertaining to the said prayer and observed vide orders dated 24.10.2024 and 05.11.2024 as follows:

“... We cannot allow this relief without hearing the other party. The Applicant is directed to proceed as per law...”

12. It is contended that this Tribunal, vide the said orders dated 24.10.2024 and 05.11.2024, granted the relief declaring that all claims, liabilities and obligations of the Corporate Debtor pertaining to the period prior to the acquisition date shall stand extinguished and waived, and the Applicant shall not be held liable.
13. It is further contended that the Process Memorandum issued by Respondent No.4 provides that all liabilities as on the liquidation commencement date, i.e., 22.09.2021, shall stand extinguished upon distribution of sale proceeds in accordance with Section 53 of IBC.
14. In view of the reliefs granted by this Tribunal, it is contended that the dues claimed by Respondent No.1 under the said Demand Notice stand extinguished. The Applicant has approached this Tribunal seeking setting aside of the said Demand Notice and removal of restraints imposed on access to Said Property No.1 and Said Property No.2 including the locks.
15. It is stated that the Applicant is in the process of filing a writ petition before the Hon'ble High Court of Telangana pertaining to registration of Said Property No.1 and Said Property No.2, in view of communications exchanged with Respondents No.2 and 3 as detailed in the application.

16. It is further submitted that the Applicant relies upon the following judgments:

- (i) Haryana State Industrial and Infrastructure Development Corporation Ltd. vs. M/s. AAR Technoplast Private Limited & Ors., Company Appeal (AT) (Insolvency) No. 606 of 2021;
- (ii) Chinar Steel Segments Centre (P) Ltd. vs. Samir Kumar Agarwal, 2023 SCC OnLine NCLAT 741;
- (iii) Jasamrit Designers (P) Ltd. vs. Gian Chand Narang, 2023 SCC OnLine NCLAT 334; and M/s. Pooran Trading Pvt. Ltd. vs. M/s. Apple Industries Ltd., CP (IB) No. 204 (ND)/2019

COUNTER BY RESPONDENT NO.4/LIQUIDATOR:

17. The Respondent has reiterated the contents of the Application. It is contended that through public auction, the Respondent distributed the proceeds of the Liquidation estate to the creditors as per Section 53 of the Code. It is further stated that once an asset of the Corporate Debtor is sold as per Regulation 32 of the Liquidation Regulations, the assets are sold on a clean slate basis to the Successful auction bidder, and the Applicant herein cannot be burdened by any past or unpaid dues.

18. According to the Respondent, the notice dated 08.09.2023, by the office of the Commissioner, Bhoothpur Municipality i.e., Respondent No.1 giving direction to Sub-Registrar, Jadcherla i.e., Respondent No.2 and Tahsildar Bhoothpur i.e., Respondent No.3 to not entertain any registration for the Said Property No.1 and said Property No.2 is bad in law and the Respondent No.1 herein has no authority to issue such direction against Respondent No.2 and Respondent No.3. The dues relate to pre-liquidation period

and with distribution of liquidation estate as per Section 53 of the IBC, 2016, the liabilities pertaining to pre-liquidation period stood extinguished and the auction bidder is not liable for such dues.

19. The Respondent has no objection if the prayer sought by the Applicant herein is allowed by this Authority. It is further stated that the Respondent has no objection to the Applicant's entitlement to seek registrations as may be required to enjoy the said property Nos. 1 and 2, to the fullest, without being answerable or responsible for any of the past liabilities/ deeds/ omissions of the Corporate Debtor.
20. We have heard the Learned Counsel Ms. Aakanksha Nehra for the Applicant and Learned Counsel Mr. VVSN Raju for the Respondent No.4 and perused the records.

FINDINGS AND DECISION:

21. The Applicant, through written submissions dated 27.03.2026, has not pressed prayer clauses 5.1.2 and 5.1.3. Therefore, the only issue that survives for consideration before this Bench is whether the Demand Notice dated 08.09.2023 issued by Respondent No.1 directing Respondent Nos.2 and 3 not to entertain registration in respect of Said Property No.1 and Said Property No.2 is liable to be quashed.
22. This Tribunal, vide order dated 16.12.2019, admitted the Corporate Debtor into CIRP. Since no resolution plan was approved, this Tribunal, vide order dated 22.09.2021, initiated liquidation proceedings and appointed Respondent No.4 as the Liquidator. Thereafter, the Liquidator issued a Public

Announcement inviting submission of claims and fixed 22.10.2021 as the last date for submission of claims.

23. Thereafter, vide order dated 28.10.2021, the Hon'ble NCLAT granted stay on the liquidation process, and the said stay on liquidation was vacated on 23.02.2023.
24. Admittedly, before the issuance of auction notice for the sale of said properties, Respondent No. 1 issued the impugned Notice dated 08.09.2023, directing Respondent Nos. 2 and 3 not to entertain registration of the subject properties, and demanding property tax of Rs. 10,59,32,349/- for the period 2017-18 to 2023-24.
25. After vacation of the stay, the Liquidator resumed the liquidation process and issued the auction notice dated 02.04.2024 for sale of Said Property No.1 under Regulation 32(a) to 32(d) of the Liquidation Regulations on an "**as is where is**", "**as is what is**", "**whatever there is**" and "**no recourse**" basis, specifically disclosing the Demand Notice dated 08.09.2023 issued by Respondent No.1 claiming property tax dues of Rs.10,59,32,349/- .
26. Pursuant to the auction notice dated 02.04.2024, the Applicant submitted its Expression of Interest and Earnest Money Deposit on 15.04.2024. In the e-auction conducted on 29.04.2024, the Applicant was declared the successful bidder for a consideration of Rs.46,78,00,000/-, and a Letter of Intent was issued accordingly.
27. Thereafter, the Applicant paid the entire sale consideration along with applicable interest, and consequently, Sale Certificate dated

20.08.2024 was issued in favour of the Applicant. Accordingly, the sale in respect of Said Property No.1 stood concluded.

28. Similarly, with respect to Said Property No.2, it is observed that pursuant to auction notice dated 14.05.2024 and subsequent process, the Applicant was declared as the successful bidder for a total consideration of Rs.26,00,00,000/-. Upon payment of entire sale consideration along with interest, Sale Certificate dated 05.10.2024 was issued, and the sale stands duly completed.
29. Despite completion of the sale and issuance of Sale Certificates in respect of both properties, the Applicant contends that the Demand Notice dated 08.09.2023 issued by Respondent No.1 continued to obstruct registration and enjoyment of the properties. Consequently, the present application is filed.
30. The Applicant contends that all liabilities of the Corporate Debtor existing as on the Liquidation Commencement Date stand extinguished upon distribution of the sale proceeds in accordance with Section 53 of the Code and places reliance on Clause XIV (Completion of Sale) of the Process Memorandum dated 02.04.2024. the relevant para is extracted below:

“XIV

ii. All known or unknown, claimed or unclaimed, disclosed or undisclosed liabilities obligations/risk as on the Liquidation Commencement Date (i.e., 22nd September 2021) including prior claims of all creditors whether secured, unsecured, workers, employees, statutory authorities and shareholders on account of any transactions before the liquidation commencement

date shall be extinguished in full, once the distribution of the purchase consideration/bid amount is made by the Liquidator, as per the provisions of Section 53 of the Insolvency and Bankruptcy Code, 2016 as full and final settlement of their dues. The liquidator shall be in no event be responsible for any liabilities/obligations pertaining to the period prior to the liquidation commencement. date, and the same shall be dealt with, as per the provisions of IBC and directions of the Adjudicating Authority or any higher authority thereof.”

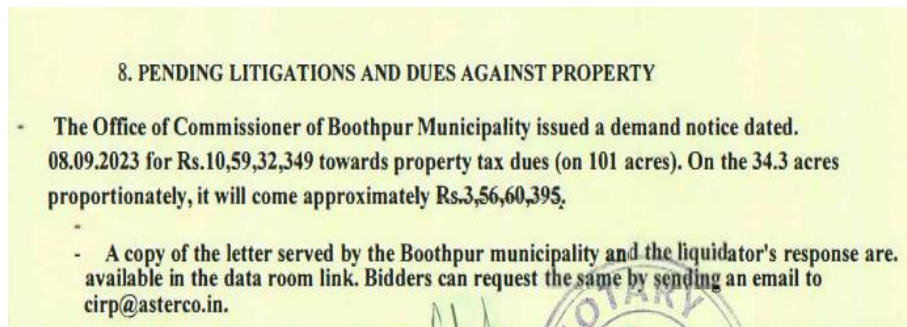
31. On perusal of the record, it is clear that the sale of that the subject properties were sold under Regulation 32(a) to 32(d) of the IBBI (Liquidation Process) Regulations, 2016 on an **“as is where is”, “as is what is”, “whatever there is” and “no recourse” basis**. It was further stipulated that all outstanding taxes and statutory dues were to be ascertained by the bidder. The relevant para is extracted below:

The sale of the corporate debtor Assets under the regulation of 32 (a) to 32(d) of the Liquidation Process Regulation is proposed to be sold on **“AS IS WHERE IS”, “ AS IS WHAT IS”, “WHATEVER THERE IS” and “NO RECOURSE”** basis and the same does not entail the transfer of any title, except the title which the Corporate Debtor had on its assets as on date of transfer. All local taxes/electricity/water charges etc., outstanding as on a date or yet to fall due should be ascertained by the Bidder and would be borne by the Successful Bidder. The Liquidator does not take or assume any responsibility for any shortfall or defect or shortcoming in the moveable/immoveable assets of the Company.

The Bidders should make their own independent inquiries regarding the encumbrances, titles of Assets and claims/rights/dues/affecting the Assets and should conduct their own due diligence prior to submitting their Bid. The Process Document does not constitute any representation or offer by the Liquidator. The sale of the assets of the Corporate Debtor under Regulation 32 of the Liquidation Process Regulations is being sold with all the existing and future encumbrances/claims/dues/demands whether known or unknown to the Liquidator. The Liquidator shall not be responsible in any way for any third-party claims/rights/dues.”

Liquidator proposes to sell the Corporate Debtor Assets on **“As is where is basis”, “As is what is basis”, “Whatever there is basis” and “No recourse”** basis and such sale of the Corporate Debtor does not entail transfer of any title except the title which the Company as on date of transfer.

32. Further, Clause 8 of the Process Memorandum specifically disclosed the Demand Notice dated 08.09.2023 issued by Respondent No.1 claiming property tax dues of Rs.10,59,32,349/- . The same is extracted below:



33. We also observe that the Applicant accepted the Letter of Intent, which expressly stipulated that all applicable taxes, including GST, stamp duty and registration charges, in relation to the sale of the assets of the Corporate Debtor, shall be borne by the Successful Bidder. The same condition was also incorporated in the Sale Certificates issued in favour of the Applicant.
34. It is well settled that a sale held on an "as is where is", "as is what is", "whatever there is" and "no recourse" basis proceeds on the principle of caveat emptor, and casts upon the bidder the obligation to ascertain the liabilities attaching to the asset and to factor them into its bid, the seller assuming no responsibility in that behalf.
35. Moreover, the Demand Notice dated 08.09.2023 claiming property tax dues of Rs.10,59,32,349/- was specifically disclosed in the Process Memorandum prior to the auction and was within the knowledge of the Applicant at the time of submission of its bid.

36. Further, the Letter of Intent and the Sale Certificates expressly stipulated that the applicable taxes relating to the sale shall be borne by the Successful Bidder. Having accepted the said terms, the Applicant cannot subsequently avoid the obligations arising therefrom.

37. The Hon'ble NCLAT in ***Visisth Services Limited v. S.V. Ramani & Ors., MANU/NL/0033/2022***, held that where the auction or process documents cast responsibility for statutory and other dues upon the successful bidder, such bidder is bound by the contractual terms and cannot wriggle out of the obligations accepted by it. The relevant para is extracted below:

“18. Keeping in view the ratio laid down by Hon'ble Supreme Court of India in a catena of Judgments that the Bidder cannot wriggle out of the contractual obligations arising out of acceptance of his Bid and also having regard to Regulations 32A and the scope and objective of the Code together with the Principle laid down by this Tribunal in 'Mohan Gems and Jewels' (Supra) we are of the opinion that the Appellant cannot be entitled to the EMD amount and the amount paid towards the Bid Purchase document, if he does not comply with the terms of the contract.”

38. Therefore, in the facts of the present case, the Applicant, having participated in the auction with full knowledge of the outstanding property tax demand and having accepted the terms of the Process Memorandum, Letter of Intent and Sale Certificates, is bound by the contractual conditions.

39. Further the Clause XIV of process memorandum is more in a nature of general provision concerning extinguishment of the liabilities of the Corporate Debtor, whereas the Process Memorandum specifically disclosed the impugned property tax

demand and cast upon the Successful Bidder the responsibility to ascertain and bear the applicable statutory dues.

40. Therefore, in view of the above discussions, we are of the considered view that the Applicant, as the auction purchaser, having purchased the subject properties on an "as is where is", "as is what is", "whatever there is" and "no recourse" basis, with specific disclosure of the Demand Notice dated 08.09.2023 and on terms expressly casting the local taxes upon it, is liable for the property tax.

Accordingly, **I.A. (IBC) No. 2352 of 2024 is dismissed** and disposed of.

Sd/-

(SANJAY PURI)

MEMBER (TECHNICAL)

Sd/-

(RAJEEV BHARDWAJ)

MEMBER (JUDICIAL)

Sridher