

**NATIONAL COMPANY LAW TRIBUNAL**  
**COURT ROOM NO. 1,**  
**MUMBAI BENCH**

**Item No. 07**

**IA(I.B.C)/2517( MB)2026 IN C.P. (IB)/445(MB)2020**

CORAM:

**SH. PRABHAT KUMAR**                      **SH. SUSHIL MAHADEORAO KOCHEY**  
**HON'BLE MEMBER (TECHNICAL)**   **HON'BLE MEMBER (JUDICIAL)**

ORDER SHEET OF THE HEARING ON **19.06.2026**

NAME OF THE PARTIES:    **IA(I.B.C)/2517(MB)2026- Aarti Sponge and Power Limited VS Asish Narayan Liquidator Of Vindhyavasini Ispat Industries Private Limited IN THE MATTER OF STATE BANK OF INDIA VS VINDHYAVASINI ISPAT INDUSTRIES PVT LTD.**

Section 7 & 60(5) of the Insolvency and Bankruptcy Code, 2016

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**ORDER**

1. Adv. Manoj Mishra for the Applicant present.
2. The present Interlocutory Application has been filed by the **Aarti Sponge and Power Limited** (hereinafter referred to as “Applicant”), under Section 60 (5) of the Insolvency and Bankruptcy Code, 2016 (“Code”), praying for the following reliefs:
  - a) *To pass an order granting the reliefs and/or concessions sought by Applicant in Schedule-I of this Application;*
  - b) *To pass any such other or further order( s) as may be deemed fit by this Hon'ble Adjudicating Authority, in the interest of justice and equity.;*
3. It is submitted that the Corporate Debtor “Vindhyavasini Ispat Industries Private Limited” was admitted into CIRP vide order dated 22.12.2023,

passed by this Tribunal. Thereafter, Liquidation of the Corporate Debtor was ordered on 27.01.2025 and the Respondent was appointed as Liquidator of the Corporate Debtor.

4. Pursuant to the E-Auction sale notice dated 27.08.2025 issued by the Liquidator for sale of the Corporate Debtor as going concern under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016, the Applicant participated in the auction process and was declared as the successful Bidder in the E-Auction conducted on 17.09.2025. Thereafter, the entire sale consideration was paid and Sale Certificate dated 17.12.2025 was issued in favour of the Applicant.
5. The Present Application is filed by the Applicant, being the Successful Auction Purchaser of the Corporate Debtor, Vindhyavasini Ispat Industries Private Limited, under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 has sought necessary relief and concession in respect of Sale of Corporate Debtor as going concern and in particular relief in respect of past income tax liabilities.
6. Heard the learned Counsels for a considerable time and perused the material on record.
7. The Sale Certificate dated 17.12.2025 issued by the liquidator after receipt of consideration, states as follows:

*11. The sale of the Corporate Debtor as a going concern as per Regulation 32(e) of Liquidation Regulations under this Sale Certificate is on "As is where is basis", "As is what is basis",*

*"Whatever there is basis" and "Without recourse basis". The Liquidator does not take or assume any responsibility for any shortfall, defect or shortcoming with the assets, of Vindhyavasini Ispat Industries Private Limited (In Liquidation), their title, its business, in any circumstance whatsoever.*

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*16. On issuance of the Sale Certificate pursuant to successful completion of sale in terms of the Code and Liquidation Regulations, while the Liquidator shall continue to perform his duties and exercise his power under section 35 of the Code, and applicable Liquidation Regulations, the Buyer shall be free to file requisite forms with the Registrar of Companies in respect of the appointment of new directors in place of and removal of existing directors from the suspended Board of Directors, as stated above and take necessary steps to extinguish the existing paid up capital and issuance of fresh capital. The Buyer shall comply with the requirements of the Companies Act 2013 and file the necessary e-forms with the Registrar of Companies for issuance and allotment of equity shares.*

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*18. The Buyer shall comply with the requirements of the Companies Act, 2013 and shall take action to change the status of the Corporate*

*Debtor in the records of the ROC from the status of the "Liquidation" to the status to "Active" after receipt of closure order of Liquidation Process from Hon'ble NCLT.*

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*22. Hereinafter, that is, from the time of unconditional acceptance of Sale Certificate, all the liabilities and risks associated with the operations and management of Vindhyavasini Ispat Industries Private Limited shall be solely to account of Buyer and the Buyer shall and hereby agrees to indemnify the Liquidator, the Stakeholders and their respective advisors, partners, agents, employees, directors from all liabilities, fines, penalties, expenses that the Liquidator may incur on account of any actions taken by Buyer after taking over the control of Vindhyavasini Ispat Industries Private Limited as a going concern pursuant to the Sale Certificate. Notwithstanding anything to the contrary in this Sale Certificate, such indemnity does not extend to any liabilities, fines, penalties, expenses arising out of any actions or omissions of the Liquidator under the Code, if any, whether before or after the date of unconditional acceptance of this Sale Certificate. It is clarified that liabilities of the Buyer pertaining to period before Insolvency Commencement Date shall be as per the provisions of the Code.*

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*24. The Buyer hereby acknowledges that it has conducted its own due diligence regarding the Corporate Debtor and its assets and liabilities and has made its own independent inquiries regarding the encumbrances, pending litigations in respect of title of assets or such other claims, rights, dues, etc., affecting the title of the assets. The Buyer further acknowledges that all the information in respect of the Corporate Debtor known to the Liquidator has been disclosed and therefore the Liquidator shall not be responsible for any error, misstatement, or omission in said particulars.*

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*28. On and from the date of handing over the control of Vindhyavasini Ispat Industries Private Limited as a going concern to the Buyer, any proceeding/litigation whatsoever pending as on date or filed in respect of Vindhyavasini Ispat Industries Private Limited except as stated in Para 15 hereof, in any court of law, forum, NCLT shall be defended by Buyer at its own cost and consequence. Necessary authorization and cooperation, if required, will be provided by the liquidator to the Buyer to defend any such proceeding/litigation, at the cost of the Buyer, however the Liquidator shall not be under any obligation to extend such cooperation.*

8. At the outset, it is noted that the sale of Corporate Debtor was not contingent or subject to any relief, exemption or waiver to be granted by

this Tribunal. However, in terms of Section 32A of the I B Code, no action lies against the Corporate Debtor, if sold as going concern, or its assets sold, whether sold as going concern or in piecemeal, under Liquidation, provided the buyer is not related or connected to the erstwhile management, as specifically described in Section 32A (2) itself. Accordingly, we pass following order in relation to each of waiver, sought in the present Application.

9. Further, in the matter of *Anuj Bajpai v. Inderdeep Construction Company & Anr. in Comp. App. (AT) (Ins) No.1698 of 2024 & IA. No.6123 of 2024 with Compo App. (AT) (Ins) No. 1518 of 2024 & IA. No. 5507 of 2024 dated 13.02.2025*, the Hon'ble NCLAT held that "26. Besides the aforesaid fact, the law is well settled as has been held by this Court in the case of *M/s Shiv Shakti Globe Exports Pvt. Ltd. (Supra)* that while approving CD sale as a going concern in liquidation proceedings without its dissolution, it is essential to see that the CD is not burdened by any cost or remaining unpaid outstanding liabilities prior to the sale of the company as a going concern and after payment of the sale proceeds are distributed in accordance with Section 53 of the Code."

10. In view of the aforesaid, we considered it appropriate to pass the following orders:-

- a. The Corporate Debtor and the new management shall be granted all the immunities provided under section 32A of the Insolvency and

Bankruptcy Code, 2016, save as otherwise not available to the persons specified therein.

- b. The buyer shall be, at liberty, and authorized to appoint its persons on the board of the company and the existing board of the directors shall compulsorily stand retired on date of issuance of confirmation of sale. RoC shall take notice of same upon filing of necessary forms on payment of prescribed fees by the Corporate Debtor, however, the necessity of obtaining resignation from the erstwhile director shall be waived.
- c. The applicant shall not be liable to any dues prior to date of issuance of Sale Certificate, except dues disclosed in Asset Sale Document to be on account of successor, provided the applicant is not (i) a promoter or in the management or control of the corporate debtor or a related party of such a person; or (ii) a person with regard to whom the relevant investigating authority has, on the basis of material in its possession reason to believe that he had abetted or conspired for the commission of the offence, and has submitted or filed a report or a complaint to the relevant statutory authority or Court, as provided in Section 32A of I B Code.
- d. The Applicant shall file appropriate application, if required, for renewal and follow the dues procedure prescribed for the purpose upon payment of prescribed fees. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under IBC and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Debtor. No action shall lie against the Corporate Debtor for any non-compliances arising prior to Sale Certificate date, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Debtor within 12 months.

- e. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same.
- f. The GST authorities shall be at liberty to examine the continuance of earlier benefits or input credits on an application filed by the Application in accordance with extant provisions under GST Law, however, such applications shall not be rejected merely on ground of extinguishment of their claims pertaining to period upto date of Sale Certificate or earlier insolvency of the Corporate Debtor.
- g. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the Sale Certificate date. ROC shall update the records and reflect the Corporate Debtor as 'Active' upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same by backend. The Compliances under the applicable law for all the statutory appointments by the Corporate Debtor shall be completed within 6 months, whereafter, the necessary consequence under respective law shall follow.
- h. All proceedings pertaining to period prior to Sale Certificate date shall abate and stand terminated. Further no demand shall be enforceable for such period against the Corporate Debtor under new avatar.
- i. No action shall lie against the Corporate Debtor for any non-compliances arising prior to Sale Certificate date, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Debtor within 12 months.

- j. All such bond, surety, guarantee, power of attorney or undertaking issued by the Corporate Debtor to any person, outstanding as on Sale Certificate date, shall stand extinguished.
- k. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under IBC and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Debtor. The relevant department shall not take any exception of disability arising from any act or omission of Corporate Debtor prior to Sale Certificate date.
- l. All liens over the assets under sale shall be released. however, the the margin money balances, if not part of asset sale process document, shall be dealt with in accordance with the terms of the facility under which such margin money is held.
- m. The existing share capital shall stand extinguished without any further order(s) in terms of Section 66 of Companies Act, 2013, however necessary filing shall be done with the RoC in this relation. The Applicant shall be entitled to issue fresh shares, as is permissible under the Companies Act, 2013 and shall follow the necessary procedure prescribed therein in this relation. The Corporate Debtor shall be exempted from using the words “and reduced”.

11. In terms of the above, IA(I.B.C)/2517( MB)2026 is allowed and disposed of.

**Sd/-**  
**PRABHAT KUMAR**  
**MEMBER (TECHNICAL)**

*/Nitesh Puri Goswami/*

**Sd/-**  
**SUSHIL MAHADEORAO KOCHEY**  
**MEMBER (JUDICIAL)**