

**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, CHANDIGARH  
(Exercising powers of Adjudicating Authority under  
the Insolvency and Bankruptcy Code, 2016)**

**CA No.85/2022**  
in  
**CP (IB) No.117/Chd/Chd/2017**  
**(Admitted)**

**In the matter of:**

Hajura Singh Bhim Singh ...Petitioner-Operational Creditor

Versus

M/s best Foods Limited ...Respondent-Corporate Debtor

And in the matter of:-

**CA No.85/2022**

Under Section 60(5)(c) of the IBC, 2016 read with  
Rule 11 of the NCLT Rules, 2016.

**ASJ Finsolutions Private Limited**

through Mr. Hitesh Garg Authorized Representative  
having registered office at AP-11A, Pitampura,  
New Delhi-110034

...Applicant

**1. M/s Best Foods Limited**

through Liquidator Mr. Vikram Bajaj (IBBI  
Registration No.IBBI/IPA-002/IP-N00003/2016-2017/10003)  
having its registered office at 2867/2, Chandigarh  
Housing Board Flats, Sector-49, Chandigarh-160047

...Respondent No.1

**2. Mr. Vikram Bajaj**

(Liquidator of M/s Best Foods Limited)  
IBBI Registration No.IBBI/IPA-002/IP-N00003/2016-2017/10003  
having its office at 308, 3rd floor, Pearls Business Park,  
Netaji Subhash Place, New Delhi-110034

...Respondent No.2

**3. Aggarwal Trading Company**

through its proprietor Mr. Shiv Kumar  
Having its office at H. No.1837, Sector-12, Urban Estate,  
Panipat, Haryana.

...Respondent No.3

**4. Mr. Dinesh Gupta**

(Member of Suspended Board of Directors M/s Best Foods Limited)  
R/o House No.808, Sector 9,  
Tehsil and District Karnal, Haryana

...Respondent No.4

**Order delivered on:31.03.2023**

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)  
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

**Present through video-conferencing:**

For the Applicant : Mr. Nesar Ahmad, Practising Company Secretary

For the Respondent No.4 : Mr. Vaibhav Sahni, Advocate  
Respondent No 1 & 2 : Mr. Viren Sharma, Advocate

**Per: Subrata Kumar Dash, Member (Technical)**

**ORDER**

The present applications are filed under Section 60(5)(c) of the IBC, 2016 by ASJ Finsolutions Private Limited against the corporate debtor through liquidator; Mr. Vikram Bajaj, the liquidator of Corporate Debtor; Aggarwal Trading Company; Mr. Dinesh Gupta, Member of suspended Board of Director wherein it is prayed inter alia for issuing directions to liquidator for claiming the chain documents of the property sold to the applicant through e-auction process initiated vide notice dated 25.10.2021 for verification before balance sale consideration amounting to Rs. 19,17,00,000/-.

2. The brief facts of the case are that the Company Petition was admitted on 01.03.2021 to CIRP by this Adjudicating Authority and vide order dated 02.02.2018 the corporate debtor went into liquidation. Mr. Vikram Bajaj was appointed as Liquidator. Being liquidation, the liquidator held the e-auction on 15.11.2021 for the sale of assets, including lot 5 i.e. land measuring 68 Canal 17 Marla situated at Nangal Khurd, District Sonapat (Haryana) and the applicant was declared as the highest bidder. An amount of Rs. 6,39,00,000/- was paid for discharging liability of same. The applicant, vide email dated 06.01.2022,

requested the liquidator to provide a certified copy of the complete chain paper of the property. A letter dated 06.01.2022 was also submitted by the applicant to the liquidator requesting the documents. Respondent no. 3 (Aggarwal Trading Company) filed Civil Writ Petition No. CWP-1671-2022 before Hon'ble Punjab and Haryana High Court interalia praying for quashing of e-auction sale notice dated 25.10.2021 issued by Respondent No. 2 (Liquidator). The Respondent No. 2 (Liquidator) vide email dated 03.02.2022 informed the applicant that the Hon'ble Court in its decision has held that it does not have jurisdiction to decide the issue and allowed the applicant to approach NCLT (Annexure-6). It is stated that the dispute over legal title of the subject property surfaced when respondent no. 3 filed writ petition. The applicant required indemnity and on payment of balance confirmation amounting to Rs. 19,17,00,000/- the property would have been transferred. The indemnity was required from respondent no. 1 (Corporate Debtor) ,2 (Liquidator) and 4 (Suspended Board of Directors) confirming the legal title or any third party right created by Respondent No. 1 before the e-auction held on 15.11.2021. The last date of payment of the balance consideration for the purchase of the property was 14.02.2022.

3. The reply was filed by respondents no. 1 and 2 vide Diary no. 00210/01 dated 03.03.2022 and was refiled on 16.03.2022 wherein it is stated that for the fractional land 14M out of a total 68K 17M the original title deeds are not available with respondents. It is stated that the applicant is trying to create an issue with respect to the title documents of the Corporate Debtor as the applicant had failed to pay the balance consideration within thirty days and furthermore, along with interest as stipulated in Clause 12 of Schedule 1 of Liquidation Regulations, 2016. It is further stated that the applicant is trying to

get an extended timeline for the payment of the balance consideration, which is impermissible in law.

4. The rejoinder was filed vide Diary no. 00210/ 3 dated 15.03.2022 wherein it is stated that the applicant as the successful bidder deposited Rs. 6.39 crores and sought a certified copy of the complete chain of documents of property from Respondent No. 2. Respondent no. 2 has made changes in the bid document to include statements which were not part of original bid documents.

5. The short written submissions filed by respondents No. 1 and 2 vide diary No.00210/9 dated 02.03.2023 reiterating the facts stated in the reply.

6. We have heard the learned counsel for the petitioner as well as respondent and have also perused the record carefully.

7. It is seen from the records that that e-auction sale was conducted on 15.11.2021, wherein, the auction the following participants participated in the Auction:-

Lot No.	Asset Details	Number of EOI Received with EMD	Reserve Price (Rs. Crore)	Final Bid Amount (Rs. Crore)	Highest Bidder
1	BFL as Going Concern	1	204.55	No bids received	No Bids Received
2	Darar Unit	3	37.17	37.77	Alnair Ventures P Ltd.
4	Commercial Office at NSP, Pitampura	2	9.26	9.26	Pankaj Jain
5	<b>Land at Nangal Khurd</b>	<b>1</b>	<b>25.56</b>	<b>25.56</b>	<b>ASJ Finsolutions P Ltd.</b>
6	Land at Garhi Gurjan	4	2.13	2.53	Alnair Ventures P Ltd.

The Respondent informed the Applicant through e-mail dated 16.12.2021 that being Successful Bidder for payment of the Balance Bid Amount of Rs. 19,17,00,000/-, required to be deposited within 30 days from the date of the email i.e. 16.12.2021. It is further stated in the e-mail that any amount outstanding after 16.12.2021 shall be accepted only with interest at rate of 12% p.a. maximum up to 90 days i.e. 14.02.2022 in terms of Liquidation Process Regulations. The Respondent informed the Applicant that if the said Balance Consideration is not paid within 90 days, the amount deposited shall stand forfeited. As per the clause 12 of Schedule I of the Liquidation Process Regulations, 2016 the highest bidder is required to provide the balance consideration within 90 days of the date of such demand.

Thus, it is submitted that the Applicant was aware regarding the fact that out of total land of 68K and 17M, title deeds for 68 K and 3M (comprised in Title Deed No. 4903 dated 29.08.2008 are available and for remaining fractional part of 14M (6M comprised in Title Deed No. 4902 dated 29-8-2008 and 8M comprised Title Deed No. 1317 dated 22-5-2009) the documents are not available and application is being filed for the same, as same was categorically disclosed in the Bid Document. It is further submitted that the Applicant acknowledged that auction sale is on "As is where basis", "As is what is basis", "Whatever there is basis", and "No recourse basis" and accepted all the terms of the Bid Documents before participation in the auction sale.

The terms and conditions of the Bid process documents are reproduced hereinunder for the sake of clarity:-

**“3. BID PROCESS**

*m) The copy of title documents relating to the Properties shall be available for inspection, on request to be made to the Liquidator, at 308, 3<sup>rd</sup> Floor, Pearls Business Park, Netaji Subhash Place, Pitampura, New Delhi – 110034 by contacting Mr. Vikram Bajaj (011-45789408, 9999989408 / Shikha Chaudhary (9811527752) / Email: bajaj.vikram@gmail.com, liq.bestfoods@gmail.com.*

**6. ASSETS UNDER E-AUCTION, RESERVE PRICE AND EARNEST MONEY DEPOSIT**

*The following assets of Best Foods Ltd. (in Liquidation) shall be put for sale through E-auction in “As is where is basis”, “As is what is basis”, “Whatever there is basis”, and “No recourse basis”*

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**Note 3 – Details of Land Comprised in Lot 5**

*i) land measuring 68K-3M as per Regd. Sale Deed no. 4903 dated 29.08.2008*

*ii) Land measuring 0K-14M as per Regd. Sale Deed no. 1317 dated 22-5-2009 – Area 0K 8M and Sale Deed No. 4902 dated 29-8-2008 – Area 0K 6M. In respect of said sale deeds Suit No. CS/1264/2021 – Shiv Kumar Gupta v. Best Foods Ltd. has been filed before Civil Court, Sonipat, wherein it is claimed that land is covered by a contract to sell and therefore seeking ad-interim stay. No stay has been granted by Civil Court, Sonipat. The Liquidator is filing an application before NCLT for taking custody of title deed Sale Deed No. 1317 dated 22-5-2009 and Sale Deed No. 4902 dated 29-8-2008 from promoters/Shiv Kumar Gupta.*

**7. INSPECTION OF ASSETS AND DUE DILIGENCE**

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*The copies of the title deeds of the Land can be inspected at the office of the Liquidator with prior appointment by contacting Ms. Shikha Chaudhary (011-45789408, 9811527752) (Email: liq.bestfoods@gmail.com, bajaj.vikram@gmail.com)*

*The Bidder(s) shall participate in the process strictly on the basis of their own due diligence on all aspect related to the assets but not limited to the title, area, boundaries, quantity, age, functionality, operation, suitability, dues, charges, expenses etc. The intending bidders, prior to submitting their bid, should make their independent inquiries regarding the title of the property, zone of the land, dues of local taxes, electricity and water charges, development charges, maintenance charges, boundaries, demarcations and inspect the property at their own expenses and satisfy themselves. The assets are placed for sale on “As is where is basis”, As is what is basis”, Whatever there is basis, and “No recourse basis.”*

**(emphasis supplied)**

8. In order to verify the contention of the applicant that the bid document uploaded on the website was different from the bid document which was originally published, this Bench directed the respondent to file an affidavit from the bank regarding the accuracy bid documents which was uploaded on the e-auction website. Respondent filed compliance affidavit vide Diary No. 00210/6 dated 12.12.2022, attaching email dated 8.12.2022 from the banks support team responsible for uploading documents stating as under-*“As we have checked, events were published correctly and in order as per the sale notice documents we received from Best Foods Ltd”*. Further, an email dated 23.09.2022 received from the applicant by the respondent stating that, *‘we are ready to pay the balance Principal Consideration Amount which is pending against the property if you are ready to waive of the interest part’* has been submitted by the respondent.

9. We have carefully considered the applicant’s contention that he was trapped in the dispute of the subject property because of the suppression of material facts by respondent No. 2-Liquidator. We have also considered the conditions laid down in the bid process document quoted in para 7 above, wherein it is clearly stated that the assets of Best Foods Limited shall be put up for sale through e-auction on “As is where basis”, “As is what is basis”, whatever there is basis, and “No recourse basis” and the applicant accepted all the terms of the Bid Document before participation in the auction sale.

10. It is seen that the impugned land under liquidation measures 0K-14M as per Regd. Sale Deed No. 4902 dated 29.08.2008-Area 0K6M is clearly mentioned in the deed under the head “Assets under e-auction.....”, at para

6 (ii) of the bid document. It is further noted that the Bid Document lays down that prior to the submission of the bid, the bidder should make their 'independent inquiries regarding the title of the property, zone of the land, dues of local taxes, electricity and water charges, development charges, boundaries, demarcations and inspect the property at their own expenses and satisfy themselves and the assets are placed for sale on "As is where is basis", As is what is basis", Whatever there is basis, and "No recourse basis."

11. The contention of the applicant that the bid document uploaded was different from the bid document published has been demolished by the confirmation received from the bank on affidavit as referred in para 7 above. This contention appears to be a fabricated ruse to explain away the delay in payment due in compliance with terms and conditions of the auction by the applicant. It is also seen from the records that the Liquidator communicated the confirmation of sale to the applicant through email dated 16.11.2021 with a request to pay the balance amount of sale consideration of Rs. 19.17 Crores be deposited within 30 days from the date of email, i.e., by 16.12.2021. However, the applicant chose not to comply with this time schedule and after the lapse of stipulated one month the applicant by a return mail on 06.01.2022, raised a counter demand for certified copies of all papers related to the property. This demand, if at all, should have been raised by the applicant before participating in the bid as it is clearly mentioned in the bid document that the applicant '*should make their independent inquiries regarding the title of the property, zone of the land, dues of local taxes, electricity and water charges, development charges, maintenance charges, boundaries, demarcations and inspect the property at their own expenses and satisfy themselves*'.



12. The applicant's offer by its email dated 23.09.2022, mentioned in para 7 above, to pay the principal on the condition of waiver of interest weakens its arguments that it is prevented from paying the entire amount in the absence of complete documents of properties.

13. In view of the above facts, we find merit in the contention of the respondent that the applicant had complete knowledge of the fact that the fractional land 14M (i.e. 0.0876 acres) out of total 68 K 17 M (8.60625 acres) the original title deeds are not available with the respondent. In view of such facts, we are of the view the applicant has wilfully defaulted in the payment of the balance amount of Rs. 19.17 Crores within the stipulated period. Considering the fact that the liquidation proceedings are strictly time-bound and sufficient time has already elapsed from the date of default in payment, no further extension of time is to be allowed for the payment of the balance amount.

14. In the result, CA No.85/2022 is dismissed and stands disposed of accordingly.

Sd/-

**(Subrata Kumar Dash)**  
**Member (Technical)**  
March 31, 2023

PRF/TB

Sd/-

**(Harnam Singh Thakur)**  
**Member (Judicial)**