

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) (Insolvency) No. 1420 of 2019

IN THE MATTER OF:

**Mr. Karan Gambhir
(Ex-Director, Forgings Pvt. Ltd.)
N-56, Panchsheel Enclave,
New Delhi- 110 017**

...Appellant

Versus

**1.Mr. Sajeve Bhushan Deora
(Liquidator for Forgings Pvt. Ltd.)
606, New Delhi House,
17, Barakhamba House,
New Delhi- 110 001**

**2.Indiabulls Housing Finance Ltd.
M-62, 63, Rajeev Chowk, Connaught Place,
New Delhi- 110 001**

**3.Mars Infraengineering Pvt. Ltd.
(Sole Bidder)
Plot No. 660, Sector – 16A,
Faridabad,
Haryana-121 002**

**4.Davinder Kumar
S/o Not known
R/o House No. 52, Sector 16A,
Near Post Office Kheri Khalan, Faridabad,
Haryana- 121002**

...Respondents

Present: -

For Appellant: Mr. Abhijit Sinha and Mr. Akshay Ringe, Advocates.

For Respondent: Mr. Sajeve Bhushan Deora, Advocate for R-1 (Liquidator)

Mr. Rudreshwar Singh, Advocate for R-1

**Mr. Sumesh Dhawan and Mr. Vatsala Kak,
Advocates for R-2**

**Ms. Preeti Kashyap and Mr. Rakesh Kumar,
Advocates for R-3 and R-4**

Mr. Nikhil Goel, Advocate for R-3

WITH**Company Appeal (AT) (Insolvency) No. 1430 of 2019****IN THE MATTER OF:**

**DD Real Estate Pvt. Ltd.
 (Holding Company of Forgings Pvt. Ltd.)
 Having its Registered Office at:
 F-1/9, Okhla Industrial Area,
 Phase 1, New Delhi-110 020
 Through its Authorised Signatory-
 Mr. Kanishraaj Gambhir.**

...Appellant**Versus**

**1.Mr. Sajeve Bhushan Deora & Ors.
 (Liquidator for Forgings Pvt. Ltd.)
 606, New Delhi House,
 17, Barakhamba House,
 New Delhi- 110 001**

**2.Indiabulls Housing Finance Ltd.
 M-62, 63, Rajeev Chowk, Connaught Place,
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 Plot No. 660, Sector – 16A,
 Faridabad,
 Haryana-121 002**

**4.Davinder Kumar
 S/o Not known
 R/o House No. 52, Sector 16A,
 Near Post Office Kheri Khalan, Faridabad,
 Haryana- 121002**

...Respondents**Present: -****For Appellant: Mr. Abhijit Sinha and Mr. Akshay Ringe, Advocates****For Respondent: Mr. Sajeve Bhushan Deora, Advocate for R-1 (Liquidator)****Mr. Rudreshwar Singh, Advocate for R-1****Mr. Sumesh Dhawan and Mr. Vatsala Kak,
 Advocates for R-2****Ms. Preeti Kashyap and Mr. Rakesh Kumar,
 Advocates for R-3 and R-4****Mr. Nikhil Goel, Advocate for R-3**

J U D G M E N T

[17th August, 2020]

JARAT KUMAR JAIN, J.

The Appellant Karan Gambhir (Erstwhile Director) and D.D. Real Estate Pvt. Ltd. filed these Appeals under Section 61 of the Insolvency and Bankruptcy Code, 2016 (In Short I&B Code) against the order dated 04.12.2019 passed by the Ld. Adjudicating Authority (National Company Law Tribunal, Principal Bench, New Delhi). By the impugned order the Ld. Adjudicating Authority dismissed the Application No. 1079 (PB)/2019 in Company Petition No. (IB)-455(PB)/2017 and imposed cost of Rs. 50,000/-. These Appeals were heard together and disposed of by this common Judgment.

2. Brief facts of this case are that on 26.10.2018 in Company Application No. 656 (PB)/2018 liquidation order was passed against the Corporate Debtor Company i.e. M/s Forgings Pvt. Ltd. Mr. Sajeve Bhushan Deora (Resolution Professional) was appointed to act as a Liquidator (Respondent No. 1 herein) of the Corporate Debtor in terms of Section 34(1) of the I&B Code. The Liquidator was directed to proceed with the Liquidation Process in the manner laid down in Chapter III of Part II of I&B Code and the relevant Regulations. The Liquidator issued sale notice for the piece of land and building belonging to the Corporate Debtor on 28.02.2019. The Corporate Debtor possesses only one asset i.e. piece of land and building situated at 12/6, Village Saral Khwaja, Main Mathura Road, Faridabad Haryana, area admeasuring approximately 42447 square yards (In Brief 'land in question'). The issuance

of notice was challenged by the Ex-Director/Promoter Karan Gambhir (Appellant herein) by filing Company Application No. 501(PB)/2019 with a prayer to set aside the same alleging that the Reserve price of Rs. 52.83 Crores has been kept at a dismal low. The valuation is challenged on the ground that valuers have proceeded on the basis of wrong assumption that the land in question is Agricultural in nature. Whereas, it is an industrial land.

3. Sole Financial Creditor Industrial Housing Finance Pvt. Ltd. (Respondent No. 2) opposed the Application that in response to the Demand Notice dated 22.08.2016, vide reply dated 24.10.2016 Mr. Sanjay Gambhir, 99% shareholder in the CD, has stated that the land in question is Agricultural land.

4. The Ld. Adjudicating Authority while hearing the Application granted opportunity to the Appellant to place on record any evidence in support of its claim that the land in question is industrial land and also directed that if the Appellant has any person who is prepared to purchase the land at a higher price than the Reserve price or any other bidder, he may also file his bid before the Liquidator before the closing date. However, the Appellant was not able to produce any evidence and produce any bidder with better price. Then the Ld. Adjudicating Authority disposed of the Application vide detailed order dated 24.04.2019.

5. The Appellant challenged this order before this Appellate Tribunal in Company Appeal (AT) (Ins) No. 531 of 2019. During the pendency of Appeal as the period of six months has expired the Liquidator was obliged to have afresh valuation as per the Regulation. Therefore, Liquidator appointed two registered valuers to ascertain the price of land in question. After receiving

valuation report fresh Sale Notice was published on 15.05.2019. Therefore, vide order dated 17.05.2019 Appeal dismissed as withdrawn.

6. Mr. Anil Kumar Saxena and Mr. Sunil Dhingra were appointed as valuers and they have submitted fresh valuation report and the Liquidator on the basis of valuation again published a Sale Notice dated 15.05.2019.

7. The Appellant Karan Gambhir again filed an Application No. 1079 (PB)/2019 on the allegation that the realizable value of the land in question is more than 100 – 120 Crores. Whereas in the Sale Notice Reserve price of the land in question fixed at Rs. 52.58 Crores. In the Application, the Appellant has challenged the methodology used by the valuers and also alleged that the Liquidator is in hot hurry as the sale of land in question, would result in speedy recovery which would defeat the basic purpose of the I&B Code, i.e. maximization of the assets. The land in question is industrial in nature which is evident from the document issued by Municipal Corporation, Faridabad (In Brief MCF). The Appellant in this Application claimed mainly the relief that Valuation Reports of Mr. Anil Kumar Saxena and Mr. Sunil Kumar Dhingra be set aside and Sale Notice dated 15.05.2019 also set aside and appoint another valuers for ascertaining the valuation of the land in question. The Ld. Adjudicating Authority while issuing the notice of the Application directed that auction may take place and the same was not to be finalized.

8. The Liquidator Respondent No. 1 herein stated that the valuation report submitted by the valuers are in accordance with the provisions of Regulation 35(3) of the IBBI (Liquidation Process) Regulations, 2016. The Appellant fails to provide any evidence showing that there was change of land use from

agriculture to industrial. The external development charges amounting to Rs. 1,21,80,505/- has not been paid. And the entry in the Letter dated 29.05.2019 is for the purpose of House Tax. Hence, no change of land use took place. Therefore, it cannot be assumed that the land in question became industrial in nature.

9. Sole Financial Creditor Indiabulls, Housing Finance Pvt. Ltd. the Respondent No. 2 herein resisted the Application on the ground stated in above Para 3 and pointed out that the Appellant is abusing the process of Court.

10. After considering the arguments of the parties, Learned Adjudicating Authority by the impugned order held that there is sufficient evidence showing that land in question is agricultural land irrespective of its use. The valuers could not have proceeded on the basis that land in question is industrial land as it would result in misleading the prospective bidder. No potential bidder could have purchased this land as industrial or commercial because there was no conversion of land use. The Liquidation Process has been conducted in accordance with the provisions of Regulation 35 of the IBBI (liquidation Process) Regulations 2016. It is also found that the allegations made against the Liquidator are baseless. After elaborate discussion dismissed the Application as the Appellant is delaying the Liquidation Process without any basis and indulge in the baseless litigation endlessly, hence, imposed cost Rs. 50,000/- Being aggrieved with this order, the Appellants have filed these Appeals.

11. Learned Counsel for the Appellants submitted that the land in question was always used as industrial, for this purpose, he placed reliance on the

copy of possession Memo dated 10.11.1994 when the Corporate Debtor acquired the land in question from BIFR proceeding, MCF letter dated 16.12.2002, copy of loan sanction Letter dated 31.12.2007 issued by Respondent No. 2 to CD mentioning the loan against industrial land, copy of MCF receipt for Tax paid by the Liquidator in which land in question shown as industrial in nature. The land in question is industrial in nature as mentioned in the master plan for Faridabad and this fact further finds support from the Khasra Khatoni of the land which states the status as 'Gair Mumkin Factory'. All these documents are though in the knowledge of the Respondent No. 1 completely ignored at the time of valuation of the land in question.

12. It is further submitted on behalf of the Appellants that the valuation reports although records that the land has been put to industrial use but completely overlook the fact that the Reserve price (Rs. 52.58 Crores) and the Circle Rate of the land (Rs. 99 Crores) is a whopping Rs. 46 Crores. The Financial Creditor (Respondent No. 2) valued the land in question at a Reserve price of Rs. 80 Crores when it sought to sell the land under SARFAESI Proceedings. In the valuation reports there is a reference to commercial use of land in question, however, there is nobody's case that the land in question is a commercial in nature. It is wrongly noticed conversion fees Rs. 100 – 110 Crores is required to be paid to convert the land to industrial use. Actually, such fees is required to be paid for conversion of land to commercial use. Thus, the valuation reports are wrong and have to be set aside.

13. It is also contended on behalf of the Appellants that the Sale Notice dated 15.05.2019 is ambiguous since, it is not clear as to the exact nature and use of the land in question. While valuation has been arrived at on the

basis that the land in question is agricultural. On the other hand, in the Sale Notice it is also mentioned that the use of land in the past has been industrial and conversion charges of almost Rs. 110 crores are to be paid, due to such ambiguity any prudent bidder has not come forward.

14. Learned Counsel for the Appellants submits that the Learned Adjudicating Authority has no Jurisdiction to determine the nature of the land as held by the Hon'ble Supreme Court in the case of Embassy Property Developments Pvt. Ltd. Vs. State of Karnataka (2019) SCC Online 1512.

15. It is also contended on behalf of the Appellants that maximization of value of asset during Liquidation is the bounden duty of the Liquidator as provided in Schedule 1 to The Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (In Brief LPR 2016) and placed reliance on the Judgement of Hon'ble Supreme Court in the case of Swiss Ribbons Pvt. Ltd. Vs. Union on India & Ors. (2019) 4 SCC 17.

16. It is also submitted that the Respondent No. 2 is the only Creditor of the Corporate Debtor Total Principal debt owed Rs. 25.80 Crores. There are no other Creditors, as such any amount which will be left from the sale of land in question after paying the Respondent No. 2, as per Section 53 (h) of the I&B Code, is come to the shareholders of the Corporate Debtor i.e. Appellants.

17. Learned Counsel for the Appellants submitted that the land in question stood converted to industrial on 24.10.1978. It is wrongly argued by the Learned Counsel for the Respondent No. 1 that because the EDC was not paid, therefore, no conversion of land to industrial has taken place. Non-payment of EDC in the year 2002 only gives right to the MCF to claim interest

and levy other penalties. MCF has not come forward to claim its dues before the NCLT.

18. It is also argued on behalf of the Appellants that argument of Respondent No. 2 that order dated 24.04.2019 has attained finality and thus, this Appeal is barred by Principle of Res-judicata, is wrong. Order dated 24.04.2019 passed by the Ld. Adjudicating Authority challenged before this Appellate Tribunal however, Liquidator issued fresh Sale Notice dated 15.05.2019 therefore, the earlier Appeal become infructuous and was thus, withdrawn.

19. On the other hand, Learned Counsel for the Respondent No. 1 who representing the Liquidator submits that the valuers appointed by the Liquidator are registered with the IBBI. All the information and documents were provided to valuers. The Reserve price was determined on the basis of valuation arrived as per Regulations 34 and 35. The Liquidator convened in all 11 consultative meetings of stakeholders during the Liquidation Proceedings. The Meetings were held with prospective bidders wherein the Appellant Mr. Karan Gambhir was invited however, he did not attend the meetings. Thus, the Liquidator has followed the due process for valuation and conducted e-Auction of land in question.

20. It is also contended on behalf of the Respondent No. 1, Mr. Sanjay Gambhir, a Director of 99.99% shareholder of Corporate Debtor acting for Appellant D.D. Real Estate Pvt. Ltd. admitted during stakeholder Meeting that the land in question is an agricultural land and conversion charges about 8.5 Crores where probably raised by the MCF but not paid. It is also pointed out that the Appellant in response to notice issued by Financial Creditor

(Respondent No. 2 herein) under the SARFAESI Act, stated that the land in question is an agriculture land. The Appellant Karan Gambhir, has alleged before the Debt Recovery Tribunal that the land in question is an agriculture land.

21. Learned Counsel for the Respondent No. 1, submitted that the Appellants have not produced any document to show that the Corporate Debtor paid the conversion charges to the MCF. On the other hand, the District Town Planner Enforcement, Faridabad vide communication dated 02.05.2019 inform that CD had never obtained change of land use permission for land in question. The valuation reports are internal documents and the valuers had concluded the valuation taking into consideration realization potential of the Asset if redeveloped as a commercial use property. It is also submitted that the auction sale was offered on 'AS IS WHERE IS BASIS, AS IS WHAT IS' and Whatever there is basis and successful bidders were expected to satisfy themselves about the nature and other features of the Asset (land in question). Lastly, it is submitted that there was no expression of interest received during CIRP Process and there was no bidder in the first time e-auction conducted by the Liquidator. All objections were elaborately, discussed and answered in the impugned order by the Ld. Adjudicating Authority. Hence, the Appeals deserves to be dismissed.

22. Learned Counsel for the Respondent No. 2 (Sole Financial Creditor) submitted that in these Appeals Valuation report and sale notice has been questioned. The valuation of land in question has been conducted by the registered valuers as per Regulation 35 of LPR on the basis of the evidence which was produced before the valuers. The process of valuation was only to

determine the Reserve price of the land in question and was only to indicate base price and such price is not outer limit and also not an impediment on the intending bidder bidding for higher amount. It is pertinent to note that nowhere in the Sale Notice land in question described as an agriculture land further in the Clause 13 of terms and conditions of the notice clearly mentioned that the land in question has been used as industrial in the past. The auction sale was being done by the Liquidator on 'As is where is, what is' and whatever there is basis. The purpose of conducting an auction is to discover best price. The first auction conducted on 25.03.2019 did not get a single bid and in the second auction got only the highest bid of Rs. 52.83 crores.

23. Learned Counsel for the Respondent No. 2 also submitted that the Ld. Adjudicating Authority while dismissing the earlier Application CA No. 501 of 2019 on 24.09.2019 granted liberty to the Appellant Karan Gambhir to produce evidence before the Liquidator within 10 days with regard to the nature of the land however, he has not produced any evidence and challenged the order before this Appellate Tribunal and subsequently, the Appeal was dismissed as withdrawn. Hence, the order dated 24.04.2019 passed by the Ld. Adjudicating Authority attained finality. Therefore, on the same ground impugned order cannot be challenged by way of these Appeals.

24. It is submitted that the Ld. Adjudicating Authority while deciding the earlier Application had also granted opportunity to the Appellant to bring a bidder with higher price vide order dated 08.04.2019 however, even after, lapse of more than a year from the date of auction the Appellant did not

introduce prospective buyer. Due process of Liquidation is followed by the Liquidator. Hence, the Appeals be dismissed.

25. Learned Counsel for the Respondent No. 3 & 4 who are the successful auction purchaser submitted that the outstanding of the Corporate Debtor under Liquidation is approximately Rs. 40 Crores, the Liquidator has secured sum of Rs. 52.83 Crores in second auction and the Respondents have deposited the amount pursuant to the order dated 03.09.2019 by the Ld. Adjudicating Authority. As auction sale is completed now nobody be allowed to offer a higher price. Hon'ble Supreme Court in the Judgment of M/s Valji Khimji Vs. OL of Hindustan Nitro Products (2008) 9 SCC 299 held that upon payment of the full purchase price the sale is complete as per Liquidation Regulation Schedule 1. It is further stated that the entire litigation has been commenced at the instance of the former director and shareholder of the Corporate Debtor who committed default in repayment of the debt, is now delaying the payment to the Creditor.

26. It is also submitted on behalf of the Respondent No. 3 & 4 that Rule, 26(D) of the Punjab Scheduled Road and Controlled Area Restriction of Unregulated Development Rules, 1965 provides that there are condition to be fulfilled prior to conversion which includes payment of development charges. Rule 26 (E) states that only upon the fulfillment of condition of Rule, 26(D) the permission will be granted for change of land use. Admittedly, the Appellant has not paid EDC charges approximately Rs. 8 Crores. The District Town Planner informed that land in question is agricultural and no CLU for the same has been granted. The Appeal is a clear abuse of the process of the Court with a view to delay and defeat the acquired rights of the Respondents.

27. After hearing Learned Counsel for the parties, we have gone through the record.

28. Learned Counsel for the Appellants raised an objection that the Learned Adjudicating Authority in the impugned order without Jurisdiction determine the nature of land in question as Agricultural land.

29. We have considered this objection the Learned Adjudicating Authority while dealing the Application of the Appellant formulated the question of law 'whether the valuation and consequential Sale Notice is in accordance with the provisions of Regulation 35(3) & (4) of the IBBI (Liquidation Process) Regulation, 2016. The Learned Adjudicating Authority has not determined the nature of the land in question but only decided the objections in regard to the valuation of land in question and the Sale Notice. Knowing well this fact the Appellant has not raised the objection in regard to jurisdiction before the Ld. Adjudicating Authority. We found no substance in such an objection.

30. The bone contention of the Learned Counsel for the Appellants is that the valuation reports are prepared on the basis that use of land in question is Agricultural though use of land is industrial. In respect of the arguments Appellants have placed reliance on the documents (1) Copy of possession memo dated 10.11.1994. (2) Copy of land sanction letter dated 31.12.2007 issued by Respondent No. 2. (3) Copy of MCF receipt of Municipal Tax. (4) MCF letter dated 16.12.2002.

31. On the other hand, the Respondents placed reliance on the MCF letter dated 16.12.2002 the District Town Planner Enforcement, Faridabad communication dated 02.05.2009, admission of the Appellant in response to

notice issued by Financial Creditor in the SARFAESI Act and admission of Mr. Sanjay Gambhir a Director of 99% shareholder of the Corporate Debtor.

32. We have considered the arguments of Learned Counsel for the parties, conversion of land from agriculture to any other use is governed by the Punjab Scheduled Road and Controlled Areas Restriction of Unregulated Development Rules, 1965. Rule 26 (D) states that there is condition to be fulfilled prior to conversion which includes, payment of development charges for External Development Works. Rule 26 (E) states that only upon the fulfillment of condition of Rule 26(D) permission will be granted for change of land use. Company under Liquidation received notice from the MCF dated 16.12.2002 in which it is mentioned that the permission for change of land use for setting up an industrial unit for land in question is allowed, in accordance with the condition of CLU –II Agreement executed on 24.10.1978 as per requirement of Rule 26(D) of Controlled Area Rule, 1965. In the notice there was a demand of Rs. 1,21,80,505/- for the amount of External Development Charges. The Company under Liquidation was required to pay this amount within 30 days. Admittedly, no such amount of EDC has been paid to the MCF. Therefore, as per Rules land use was not changed from agriculture to industrial. This fact find support from the letter dated 02.05.2019 of the District Town Planner Enforcement, Faridabad. Mr. Sanjay Gambhir who is 99% shareholder in the Company under Liquidation stated that land in question was an agriculture land at the time of purchase sometime in 1994 and was put to industrial use by the Corporate Debtor. Mr. Sanjay Gambhir further mentioned that his family took over shareholding of

Forgings Pvt. Ltd. (Company Liquidation) sometime in 1994 when the Corporate Debtor was under purview to sick industrial Companies (Special Provisions) Act, 1985 and that no records of the CD prior to the time of their acquisition were available with them as the same had been lost in fire. He further mentioned that there was a notice regarding charges payable for change of land use received sometime in the past and a demand of issue Rs. 8.5 Crores was probably raised and not deposited and that no documents available with him in respect thereof. He further mentioned that the charges for conversion of the land in question to commercial use are over Rs. 110 Crores.

33. Now, we have considered the documents relied by the Appellants under purview of sick industrial Companies (Special Provisions) Act, 1985 vide possession memo dated on 10.11.1994 took possession of the factory premises, in this memo it is nowhere mentioned that as per Rules land use changed from agriculture to industrial. Respondent No. 2 (Financial Creditor) in loan sanction letter dated 31.12.2007 mentioned that the land in question is industrial. This is a private document. Property Tax receipt dated 22.04.2018 in which payment particular mentioned as industrial, on the basis of these documents it cannot be held that the land use is changed. As per Rules land use was not changed this fact was in the knowledge of the Appellant therefore, Appellant in response to notice under Section 13 of the SARFAESI Act, took stand that the notice was not maintainable as the land in question is Agricultural land and there is a bar of Section 31 (1) of SARFAESI Act.

34. With the aforesaid, we are of the considered view that the land in question is Agricultural land though in past, it was used as industrial land however, as per Rules use of land was not changed.

35. Now, we have considered the objection that the valuation reports are prepared on the basis that use of land in question is Agricultural though, use of land is industrial.

36. In this regard, we have gone through the valuers report Mr. Anil Kumar Saxena and Mr. Sunil Dhingra two valuers have prepared a detailed reports in which they have mentioned that the land in question is as per MCF record agriculture land however, earlier used for industrial purpose. We have also seen that while determining the valuation, the valuers have considered the Circle Rate of agriculture land and they are of the view that as per by laws the land in question is falls into High Potential Zones. The Authority has clearly defined restriction on industrial use in such zones. As per the Department of Town and Country Planning Haryana Government has taken decision for not allowing the industrial units in the agriculture zone of Hyper/High Potential Zone. Thus, the conversion of agriculture land, as commercial and not industrial, is considered viable option.

37. With the aforesaid, it cannot be said that valuers have determined the valuation of the land in question on the basis that use of land in question is Agricultural. It is also argued that as per the Circle Rate of the agriculture land the valuation of the land in question is amounting to Rs. 99 Crores, no such evidence is placed on record. However, while deciding earlier Application of the Appellant the Ld. Adjudicating Authority directed the Appellant to

produce evidence in this regard before the Liquidator but, the Appellant was not able to produce any evidence and produced any bidder with better price.

38. We have also observed that the Learned Counsel for the Appellants have not pointed out that the findings arrived at by the Ld. Adjudicating Authority are erroneous or incorrect.

39. The Appellants have prayed that Sale Notice dated 15.05.2019 be set aside because it does not contain the proper valuation of the land in question and in the notice wrongly mentioned that conversion fees for the land in question to industrial use is Rs. 110 Crores.

40. We have considered the submissions. As we have held that there is no defect in the valuation reports and reports are as per the Rules. In the Sale Notice dated 15.05.2019 all material facts are disclosed. In the Sale Notice terms and conditions are mentioned condition No. 12 & 13 are as under:-

12.After payment of the entire sale consideration, the sale Certificate containing due disclosure of the fact that the sale is "AS IS WHERE IS" AS IS WHAT IS" AND "WHATEVER THERE IS BASIS "will be issued in the name of the successful bidder only and will not be issued in any other name.

13.Bidder to confirm the permitted use of subject land and building and costs and charges payable in respect thereof, including those for industrial use in the past. The demands of providers of utilities and service at the subject land and building may too be confirmed from appropriate authorities/ agencies. All demands, whether outstanding or payable in relation to subject land and building, will be the liability of successful bidder."

In the notice, it is nowhere mentioned that the conversion fees for the land in question to industrial use is Rs. 110 crores.

41. We are of the view that in the Sale Notice nothing is mentioned which prejudices the prudent bidder for bidding. It is pertinent to note that the Ld. Adjudicating Authority while deciding the objections granted an opportunity to the Appellant, to produce any person who is prepared to purchase the land in question at price higher than the Reserve price. He may also file his bid before the Liquidator before the closing date. In terms and conditions of the direction the Appellant was not able to produce any bidder with better price. The land in question was earlier put to e-auction during Liquidation in March, 2019 with Reserve price of Rs. 52.83 Crores and no bid was received even at a Reserve price and the Applicant had failed to identify any bidder/buyer whatsoever, inspite of opportunity given vide order dated 08.04.2019 passed in CA No. 501 (PB)/2019.

42. With the aforesaid, we are of the view that there is no substance in the objections raised in these Appeals, in regard to valuation of land and Sale Notice.

43. So far as, the imposing cost of Rs. 50,000/- is concerned Ld. Adjudicating Authority in Para 39 of the impugned order assigned the reasons that efforts made by the Appellant Karan Gambhir is only to delay the Liquidation Process without any basis and indulge in the baseless litigation endlessly. Therefore, imposed a cost of Rs. 50,000/-. We find no ground to interfere in this order.

With the aforesaid, we find no ground to interfere in the impugned order. Hence, the Appeals are dismissed. No cost.

[Justice Jarat Kumar Jain]
Member (Judicial)

[Balvinder Singh]
Member (Technical)

[Kanthi Narahari]
Member (Technical)

New Delhi
SC