

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Comp. App. (AT) (Ins) No. 1714 of 2026

IN THE MATTER OF:

**State of Chhattisgarh Through District Magistrate,
District Balod & Anr.**

...Appellants

Versus

**Truvisory Insolvency Professionals Private Limited
IPE 'Liquidator for Sunshine Hi-Tech Infracon Ltd.
Through Its Authorised Representative Mr. Rajeev
Ranjan Singh**

...Respondent

Present:

For Appellants : Mr. Bishwajit Dubey, Mr. Additional Adv. General.
Mr. Vinayak Sharma, Standing Counsel (state of
Chattisgarh)
Mr. Akshit Awasthi, Adv.

For Respondent : Ms. Mily Ghoshal, Liquidator.

ORDER
(Hybrid Mode)

[Per : Mohammad Faiz Alam Khan (Oral)]

18.09.2026 Heard Learned Counsel for the Appellant as well as
Learned Counsel for the Respondent. Perused the record.

2. The instant appeal has been preferred by the Appellant/ State of Chhattisgarh against the Impugned Order dated 27.07.2026 passed by the Learned Adjudicating Authority in IA No. 742 of 2026 in CP (IB) No. 35 of 2020, whereby the Learned Adjudicating Authority dismissed the application of the Appellant moved for the recall of the order dated

15.04.2025 passed in IA No. 1078 of 2023 which was filed by the Liquidator.

3. Learned Counsel for the Appellant submits that by passing the order dated 10.08.2022 passed by the Sessions Judge / Special Judge, Balod. Balod District (Chhattisgarh) (Under the Protection of Depositors' Interests Act, 2005), the interim order dated 04.02.2022 passed by the competent authority i.e., District Magistrate, Balod under Section 7(7) of the Chhattisgarh Protection of Depositors' Interests Act, 2005 in respect of land Khasra No. 391/1 measuring 0.62 ha, owned by the Director of the company Sun Sign Hitech Infractions Limited/Financial Establishment situated at Village Balod 'Gahan, Tehsil Gurur, District Balod, was made absolute.

4. He further submits that in the meantime an application bearing I.A. No. 1078 of 2023 was moved by the Liquidator before the Learned Adjudicating Authority in CP (IB) NO. 35 of 2020 seeking the following prayers :-

“A. Allow the present application and set aside the auction sale notice dated 15.10.2022 issued by the Respondents with respect to the property of the Corporate Debtor bearing land Khasra No.391/1 area 0.62 Hect. situated at village Balodgahan, P.H.No.29, Tehsil Gurur;

B. Set aside the confirmation order dated 10.08.2022 issued by the Respondents with respect to the property bearing land Khasra No.391/1 area 0.62 Hect. situated at village Balodgahan, P.H.No.29, Tehsil Gurur;

C. Set aside the interim order dated 04.02.2022 issued by Respondent No.2 with respect to the property bearing land Khasra No.391/1 area 0.62 Hect. situated at village Balodgahan, P.H.No.29, Tehsil Gurur;

D. Direct the Respondents herein to hand over the possession and title documents of the property bearing land Khasra No.391/1 area 0.62 Hect. situated at village Balodgahan, P.H.No.29, Tehsil Gurur to the Applicant;

E. Pass such other order or orders as this Tribunal may deem fit and proper in the interest of justice.”

5. It is also submitted that the aforesaid IA was disposed of by the Learned Adjudicating Authority by passing the order dated 15.04.2025, whereby the interim order of attachment dated 04.02.2022 and the confirmation order dated 10.08.2022 was set aside/ quashed including the auction which was held on 07.11.2022 along with its confirmation and officers of the Appellant were directed to hand over the possession and title documents of the property i.e., land Khasra No.391/1 area 0.62 Hect. situated at village Balodgahan, P.H.No.29, Tehsil Gurur to the liquidator within 15 days of passing that order.

6. It is further submitted that the aforesaid order was challenged before this Appellate Tribunal by filing the Comp. App. (AT) (Ins.) No. 60 of 2026 which was however dismissed as withdrawn as the same was barred by limitation.

7. It is submitted that at the time of passing the order dated 07.04.2026, the Appellant seeks liberty to avail such remedies as would be available to it

under the law and in bonafide belief filed the recall application before the Learned Adjudicating Authority being IA No. 742 of 2026 which has been dismissed by passing the Impugned Order.

8. It is vehemently submitted that the Appellant acting under a bonafide belief and order passed by Sessions Judge / Special Judge, Balod. Balod District (Chhattisgarh) auctioned the property and the auction sale was also confirmed.

9. It is further submitted that the intention of the Appellant or its officer has never been to disobey or disregard any order passed by the Learned Adjudicating Authority.

10. It is further submitted that the officers of the Appellant were in some confusion as the two contrary orders have been passed by two courts of competent jurisdiction i.e., Special Judge, Balod. And the Learned Adjudicating Authority and this has led to the holding of the auction sale and confirmation of its thereafter.

11. He further submits that appropriate directions be given in the facts and circumstances of the case.

12. Learned Counsel appearing for the Liquidator on the other hand submits that by passing the Impugned Order dated 15.04.2025, clear directions were given to the officers of the Appellant to hand over the possession of the aforesaid land to the Liquidator, however, the order was challenged in Appeal, which was time barred and was dismissed as such

and no liberty of moving any recall application was granted. However, then a recall application was moved by the Appellant which was dismissed by passing an Impugned Order and the Appeal filed by the Appellant is not maintainable and is required to be dismissed at the threshold.

13. It is further submitted that the order passed by the Sessions Judge / Special Judge, Balod. Balod District (Chhattisgarh) was already quashed by the Learned Adjudicating Authority by passing the Order dated 15.04.2025 and there was no occasion for the Appellant to file a recall application before the Learned Adjudicating Authority.

14. We have heard Learned Counsel for the Parties and have perused the record. We recall that an application was moved by the Liquidator i.e., I.A. No. 1078 of 2023 with the prayers mentioned in Para No. 4 of this order and the same was disposed of by passing the order dated 15.04.2025 and the observation made and direction given therein are reproduced as under :-

“13. In view of the foregoing facts, circumstances, and legal position, this Adjudicating Authority is of the considered opinion that the actions undertaken by the Respondents, including interim order of attachment dated 04.02.2022, the confirmation order dated 10.08.2022 of attachment qua property in question in Case No. 202112241200009, titled Chhattisgarh Administration Vs. M/s Sunshine Hi-Tech Infracon Ltd, the issuance of the auction sale notice dated 15.10.2022 and the purported confirmation of auction held on 07.11.2022, are in blatant violation of the moratorium imposed under Section 14 of

the Code. Such acts are unsustainable in law and liable to be set aside.

14. Hence, interim order of attachment dated 04.02.2022, the confirmation order dated 10.08.2022 of attachment qua property in question, the auction sale notice dated 15.10.2022 and all consequential actions, including the auction held on 07.11.2022 and its confirmation, are hereby quashed and set aside. The Respondent No. 1 and 2 are directed to hand over the possession and title documents of the property bearing Khasra No. 391/1, area 0.62 Hect., situated at Village Balodgahan, P.H. No. 29, Tehsil Gurur, to the Applicant/Liquidator within 15 days from the date of this order.

15. Accordingly, the present application IA No. 1078 of 2023 in CP(IB) No. 35 of 2020 is allowed and disposed of.

16. Urgent certified copy of this order, if applied for, be issued upon compliance with all requisite formalities.”

15. We notice that in para 13 of the said order it has been specifically stated that the actions undertaken by the Respondents (Officers of the Appellant) including the interim order of the attachment dated 04.02.2022, confirmation order dated 10.08.2022 of attachment property in Case No. 202112241200009, titled Chhattisgarh Administration Vs. M/s Sunshine Hi-Tech Infracon Ltd, the issuance of the auction sale notice dated 15.10.2022 and the purported confirmation of auction held on 07.11.2022, are in blatant violation of the moratorium imposed under Section 14 of the Code.

16. We also notice that by observing above, the attachment order dated 04.02.2022 the confirmation order dated 10.08.2022 as well as the auction sale notice dated 15.10.2022 and all consequential actions, including the auction held on 07.11.2022 and its confirmation, were quashed and set aside.

17. In view of above, in our considered view the Appellant and its officer were under a legal obligation to have hand over the possession of the said property to the Liquidator, in compliance of the order dated 15.04.2025.

18. We further notice that the recall application which has been moved by the Appellant has been dismissed by passing the Impugned Order and having gone through the Impugned Order we do not find any illegality therein as the Impugned Order has been passed in the teeth of the Order dated 15.04.2025 which after the dismissal of the Appeal by this Appellate Tribunal has become final and binding on the parties.

19. Thus, for the aforesaid reasons, we do not find any merit in the appeal and the appeal is hereby dismissed.

20. At this juncture, it is fairly submitted that by Learned Counsel for the Appellant that Appellant is ready to hand over the possession of the aforesaid land to Liquidator within 15 days from today.

21. It is also submitted that w.r.t. the non compliance of the order dated 15.04.2025 contempt proceedings have been filed by the Liquidator/ Respondent before Learned Adjudicating Authority. We are of the considered view that since, the Appellant/ State of Chhattisgarh is ready to

comply with the order dated 15.04.2025, the contempt proceedings pending before the Learned Adjudicating Authority may be dealt with by Learned Adjudicating Authority sympathetically.

22. There is no order as to Costs. Pending I.A.'s are also disposed of.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Mr. Naresh Salecha]
Member (Technical)

Sim/mr