



IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
CIVIL APPELLATE JURISDICTION  
WRIT PETITION NO.3237 OF 2026

My Ideal Transport and another ... Petitioners  
**Vs.**  
Transport Commissioner Maharashtra and others ... Respondents

Mr. Prashant Phophale a/w. Ms. Reena L i/b. PMH Law for Petitioners.  
Ms. G. R. Raghuwanshi, AGP for Respondent Nos.1 to 6 and 8 - State.  
Mr. Shyam Kapadia a/w. Mr. Abdullah Qureshi a/w. Mr. Samuel Abraham for Respondent No.7.

**CORAM : MANISH PITALE &  
SHREERAM V. SHIRSAT, JJ.**

**DATE : APRIL 22, 2026**

**P.C. :**

- . Heard learned counsel for the parties.
2. The petitioners (auction purchasers) have purchased vehicles from respondent No.7 i.e. the liquidator of a corporate debtor that faced insolvency process under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). The auction of the vehicles was conducted on various dates in November 2024, March 2025 and June 2025. The petitioner No.1 purchased 24 vehicles and petitioner No.2 purchased 5 vehicles in the auction process.
3. The grievance of the petitioners is that the respondent Nos.2 to 6 - Regional Transport Offices, with which the said vehicles are concerned, raised demands for Motor Vehicle Tax (MVT) from the petitioners and refused to transfer ownership of vehicles unless such demands were satisfied.
4. The learned counsel for the petitioners contends that the said respondents cannot insist upon satisfaction of the said demands as a

condition for transfer of ownership of the vehicles that have been duly purchased in public auction by the petitioners in proceedings under the IBC. He places reliance on judgement of the Gujarat High Court in the case of *East India Enterprise Vs. Ministry of Finance*, **2021 SCC OnLine Guj. 1019**.

5. The respondent No.7 liquidator is represented by counsel, who submits that the said respondent supports the prayers made on behalf of the petitioners, insofar as prayer clauses (a), (b) and (c) are concerned. It is submitted that the said reliefs deserve to be granted as a Division Bench of this Court, in an identical situation, held in favour of similarly situated persons. Reference was made to the judgement and order dated **06.04.2021** passed in **Writ Petition (St.) No.280 of 2021** (*Raman Roadways Private Limited Vs. State of Maharashtra and others*), wherein it was held that such demands towards MVT raised by the Regional Transport Offices were not sustainable against the auction purchasers and that the authorities were required to raise their claims before the liquidator as operational creditors.

6. It was submitted that since the issue was no longer *res integra*, this Court may consider allowing the petition to the aforesaid extent. It was further submitted that prayer clause (d) may not be granted, for the reason that the petitioner No.2 held back payment of the balance sale consideration due to the demands raised by the respondent authorities with which the respondent No.7 liquidator is not concerned.

7. Ms. Raghuwanshi, learned AGP appeared on behalf of respondent Nos.1 to 6 and 8.

8. We find substance in the contention raised on behalf of the respondent No.7 that the issue raised in the present petition is no longer *res integra* and it is covered completely in favour of the petitioners as

per the judgement and order of a Division Bench of this Court in the case of **Raman Roadways Private Limited Vs. State of Maharashtra and others** (*supra*). In the said judgement, in an identical situation, the Division Bench of this Court held that the respondent authorities could not raise such demands towards MVT and other charges against the auction purchasers in an auction conducted under the provisions of the IBC. Upon analysis of the relevant provisions of the IBC, it was held in the said judgement as follows:-

“46. The claims raised in the impugned Demand Notices would necessarily have to be lodged before the Respondent No.4 as liquidator and can only be then decided by the liquidator and where claims are not lodged, they appear to stand extinguished. Considering that in the present case, the CIRP proceedings in liquidation have not been completed, it would be open for the Respondent Nos.2 and 3 to even at this stage lodge their claims before the Respondent No.4 as Liquidator and their claims can only be satisfied under waterfall mechanism for payment as provided for in Section 53 of the IBC.

47. We find no substance in the submission of the learned AGP for Respondent Nos.1 to 3 that the statutory dues of Respondent Nos.2 and 3, which are in respect of the subject vehicles would follow the subject vehicles and the Respondent Nos.2 and 3 can claim their statutory dues from the purchaser of the subject vehicles. The medium for recovery of the amounts due from the corporate debtor in liquidation considering that these are statutory dues in respect of the subject vehicles which were sold by the Resolution Professional and which subject vehicles belong to the corporate debtor in liquidation, would not be in terms of Section 8 and / or 12 of the MMC Act, but would necessarily have to be under the Liquidation Regulations and provisions of IBC. Thus the dues relating to the subject vehicles belonging to the corporate debtor can only be recovered under the provisions of IBC viz. waterfall mechanism under Section 53 of the IBC and not from the Petitioner as purchaser.”

9. Thereupon, the said writ petition was allowed and such demands were quashed with liberty to the authorities to approach the liquidator to raise appropriate claims as operational creditors.

10. We find that in the aforementioned judgement in the case of **East India Enterprise Vs. Ministry of Finance** (*supra*), the Gujarat High Court has also held in a similar manner that the concerned authorities need to raise their claims in the liquidation process.

11. In the present case also, we find that the respondent Nos.2 to 6, being the respective regional transport offices concerned with the said vehicles, have issued demand notices for MTV allegedly pending in the context of the said vehicles to the two petitioners, who were the successful auction purchasers in an auction conducted under the provisions of the IBC.

12. In the light of the said position of law, the writ petition is allowed in terms of prayer clauses (a), (b) and (c), which read as follows:-

“a. This Hon’ble Court be pleased to issue a writ of certiorari or any other appropriate writ, order or direction quashing the impugned demands raised by Respondent No.1 to 6 and their refusal to transfer ownership of the vehicles listed in Schedule I and II without payment of pre-liquidation dues / penalties.

b. This Hon’ble Court be pleased to issue a writ of mandamus or any other appropriate writ, to direct the Respondent No.1 to 6, to forthwith effect transfer of ownership of the said vehicles in the name(s) of the Petitioner(s) upon presentation of the Sale Certificate(s) and requisite forms, without demanding payment of any pre-liquidation dues or penalties.

c. This Hon’ble Court be pleased to declare that pre-liquidation statutory dues / penalties in respect of asset sold in liquidation under the IBC cannot be recovered from the successful auction purchasers i.e. Petitioner No.1 and Petitioner No.2 in the instant case and can only be claimed in the liquidation proceedings under the IBC.”

13. The respondent Nos.2 to 6 are at liberty to raise their claims as operational creditors before the liquidator in the pending proceedings under the provisions of the IBC.

**(SHREERAM V. SHIRSAT, J.)**

**(MANISH PITALE, J.)**