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

Item No. 10

IA 1010/2024 in C.P. (IB)/1632(MB)2019

CORAM:

SH. PRABHAT KUMAR | **JUSTICE VIRENDRASINGH BISHT (Retd.)**
HON'BLE MEMBER (TECHNICAL) | **HON'BLE MEMBER (JUDICIAL)**

ORDER SHEET OF THE HEARING ON **12.03.2024**

NAME OF THE PARTIES: VISTRA ITCL INDIA LIMITED VS SATRA PROPERTIES INDIA LIMITED

Section 7 of the Insolvency & Bankruptcy Code, 2016

ORDER

IA 1010/2024 -

1. Mr. Prathamesh M. Nirkhe, Advocate i/b Mr. Amit Tungare, Advocate appeared for the Applicant/RP.
2. The Present application is filed by the Resolution Professional under Section 60(5) of the Insolvency & Bankruptcy Code, 2016 and other relevant provisions of the IB Code, 2016 and Regulations and Rules framed thereunder seeking direction to Respondent (Navi Mumbai Municipal Corporation, Additional Commissioner of NMMC) to remove the attachments on all of the 7 Bank Accounts of the Corporate Debtor held with AXIS Bank, detailed as below: I. 911020060233171

II. 917020052855280 III. 917020053026670 IV. 911020058661836 V. 9110200411337658 Vl. 911020051088009 VII. 914020057042271 and any and all such accounts belonging to the Corporate Debtor held with AXIS Bank.

3. It is submitted that applicant contacted AXIS Bank, S V Road Branch and Nariman Point Branch for change of authorised signatory and submitted all the required documents. Thereafter, the AXIS Bank informed the applicant that they are unable to change the signatures because the accounts belonging to the CD were attached by various government bodies including the Respondent herein.
4. The Respondent has attached all the bank accounts of the Corporate Debtor held with AXIS Bank, S V Road Branch and Nariman Point Branch, Mumbai.
5. The applicant received a copy of attachment order of the respondent from AXIS Bank demanding property tax of Rs. 5,56,87,386/-. The applicant addressed a letter dated 23rd October, 2023 informing the office of the Respondent about the initiation of CIRP against the Corporate Debtor and moratorium as per Section 14 of the Code and thereby requesting them to remove all attachment and lien from the bank accounts belonging to the Corporate Debtor.

6. The applicant and her representative visited the Office of the Respondent and met Additional Commissioner of Assessment and Collection Department and other relevant officials of the respondent and handed over the letters and explained them the situation in detail and also submitted Copy of Order dated 03/08/2020 passed by the NCLT admitting the Corporate Debtor into CIRP.
7. The Officials of the respondent at relevant time said that they needed to take some legal advice regarding the matter. Thereafter, the applicant communicated with the officials of the Respondents on multiple Occasions by email and over phone but the Respondents failed to take any action in that regard.
8. We have heard Counsel appearing for the Applicant.
9. Section 14 of the IB Code bars the proceeding for recovery or enforce any security interest in respect of the property of the Corporate Debtor after commencement of moratorium, which in this case commenced on 03.08.2020. Further, Section 25(2) of the Code mandates Resolution Professional to take immediate custody and control of all the assets of the Corporate Debtor.
10. On perusal of the letter dated 01.03.2023 written by the Axis Bank informed about the lien on the bank accounts of the Corporate Debtor

pursuant to the notices received from the Respondent NMMC as well as ESIC, Income Tax Department, Sales Tax Department and Commissioner of Police Housing Unit. We further note that vide letter dated 02.03.2021 the Respondent had directed the Axis Bank Ltd. to pay the amount due to the Respondent on behalf of the Corporate Debtor out of funds lying in Corporate Debtors account.

11. It is trite law that the assets of the Corporate Debtor are required to be handed over to the Resolution Professional and all security interest of the creditors including lien over the assets are to be dealt with in accordance with the resolution plan approved by this Tribunal or Section 53 of the Code in case of liquidation. Further, all the creditors are required to file claim with the Resolution Professional or Liquidator as the case may be.

12. Accordingly, we consider appropriate to direct Respondent (Navi Municipal Corporation) to inform the Axis Bank for vacation of lien marked on such account within one week from the date of communication of the order. Further, the Axis Bank shall vacate lien of the NMMC immediately after receipt of communication by the Respondent or in case no communication is received after 15 days from the expiry of the period granted to the Respondent to advise Axis Bank in this relation.

13. In view of above, **IA No. 1010/2024** is **allowed** and **disposed of**.

Sd/-	**Sd/-**
PRABHAT KUMAR	**JUSTICE VIRENDRASINGH BISHT**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**

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