



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-I
KOLKATA**

**I.A. (IBC) No. 380/KB/2026
IN
C.P. (IB) No. 349/KB/2022**

*An Application under Section 60(5) of the Insolvency and Bankruptcy Code,
2016*

IN THE MATTER OF:

M/s. Gokul Sai Udyog LLP

...Financial Creditor

Versus

Katyayni Naturals Resources Limited

...Corporate Debtor

And

IN THE MATTER OF:

**Mr. Sandip Mitra, Resolution Professional of Katyayni Naturals Resources
Limited**

...Resolution Professional/Applicant

Versus

**1. Deputy Commissioner of Income Tax, Department of Income Tax, having
office at 6th floor, C.R. Building, Birchand Patel Marg, Central Circle-3,
Patna- 800001, Bihar**

And

**2. Canara Bank, Pataliputra Colony Branch, having office at 18A, Pataliputra
Colony, Patna 800013, Bihar**

...Respondents

Date of Pronouncement: 06.05.2026

CORAM:

Smt. Bidisha Banerjee, Hon'ble Member (Judicial)

Cmde Siddharth Mishra, Hon'ble Member (Technical)

APPEARANCE:

For the Resolution Professional:

Mr. Shaunak Mitra, Adv.

Mr. Avik Chaudhuri, Adv.

Ms. Shruti Majumdar, Adv.

Mr. Sandip Mitra, CS (RP in Person)

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For Canara Bank:

Ms. Aparajita Rao, Adv.
Ms. Nabanita Dutta, Adv.

ORDER

Per: Smt. Bidisha Banerjee, Member (Judicial):

1. The Court convened through hybrid mode.
2. The learned counsels for the parties were heard at length.
3. The instant Application being I.A. (IBC) No. 380/KB/2026 has been filed by Mr. Sandip Mitra, the Resolution Professional of Katyayni Naturals Resources (hereinafter referred to as the RP), seeking the following reliefs:
 - a. *An order be passed directing Respondent No. 1 to remove the lien created on 05.03.2023 on the Fixed Deposit Accounts of the Corporate Debtor being Account No. 140049886655, Account No. 2518401012508 and Account No. 5877401000339, and/or any other account of the Corporate Debtor, so that the amounts lying therein may be utilised towards payment of CIRP costs;*
 - b. *An order be passed directing Respondent No. 2 to release the amounts lying in any and/or all Fixed Deposit Accounts of the Corporate Debtor to the designated CIRP account of the Corporate Debtor, so that the same may be utilised towards payment of the CIRP costs;*
 - c. *An order be passed directing Respondent No. 2 to immediately release the amount lying in Fixed Deposit Account No. 130018731556 of the Corporate Debtor to the designated CIRP account of the Corporate Debtor in the absence of any lien created by Respondent No. 1 on the said Fixed Deposit Account, so that the same may be utilised towards payment of the CIRP costs;*

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- d. Pass such further or other orders/directions as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.*

4. The RP, by way of this Application has depicted the timelines as follows:

DATE	PARTICULARS
22.05.2025	CIRP initiated against M/s. Katyayni Natural Resources Limited by Hon'ble NCLT, Kolkata Bench and Mr. Sandip Mitra appointed as IRP
27.05.2025	Public Announcement in Form A issued by the Applicant inviting claims from creditors
18.06.2025	Respondent No. 1 submitted its claim in Form B before the Applicant, which was admitted in full, making Respondent No. 1 a member of the Committee of Creditors
14.07.2025	Applicant filed an Application under Section 19(2) against the Suspended Board of Directors due to their non-cooperation in providing necessary information and documents.
November-December 2025	Applicant examined bank statements of the Corporate Debtor and traced the Fixed Deposit to Canara Bank, Pataliputra Colony Branch, A/c No. 2518214000003.
12.12.2025	Applicant wrote to Canara Bank seeking confirmation, details and transfer of the Fixed Deposit to the CIRP account.
16.12.2025-14.01.2026	Reminder emails sent by the Applicant seeking urgent cooperation from the Respondent but no response received.

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22.01.2026	IA 151 of 2026 filed seeking appropriate orders against Respondent No. 2 herein.
26.02.2026	During the hearing in I.A. No. 151 of 2026, Respondent No. 2 admitted that Fixed Deposits of the Corporate Debtor were maintained with the Bank but stated that amounts could not be released due to lien created by Respondent No. 1.
26.02.2026- 07.03.2026	Emails issued by the Applicant to Respondent No. 2 seeking details of the Fixed Deposit Accounts.
02.03.2026	Respondent No. 2 provided details of four Fixed Deposit Accounts belonging to the Corporate Debtor.
09.03.2026	During the hearing of I.A. No. 151 of 2026, Respondent No. 2 submitted that the amounts could not be released due to lien created by Respondent No. 1 but failed to produce any supporting document before the Tribunal. After the conclusion of the hearing, Respondent No. 2 shared via email the order of attachment dated 05.08.2023 created by Respondent No. 1 on certain Fixed Deposit Accounts of the Corporate Debtor.
13.03.2026	The present Application being filed seeking appropriate directions from this Hon'ble Tribunal to direct Respondent No. 1 to remove the lien created on the Fixed Deposit Accounts of the Corporate Debtor, and directing Respondent No. 2 to release the amounts lying in the said Fixed Deposit Accounts to the designated CIRP account of the Corporate Debtor, so that the same may be utilised towards payment of the CIRP costs and expenses.

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5. *Learned Counsel for the RP would submit as under:*

5.1 Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) was initiated against the Corporate Debtor, Katyayni Naturals Resources Limited vide order dated 22.05.2025.

5.2 During the course of CIRP and while examining the financial records of the Corporate Debtor, the Applicant discovered the existence of Fixed Deposit Accounts belonging to the Corporate Debtor maintained with Respondent No. 2. Such Fixed Deposit constitutes asset of the Corporate Debtor and are required to be under the control and custody of the Resolution Professional in terms of Section 18 of the Code.

5.3 Since, despite repeated communications, the Respondent No. 2 failed to provide the requisite information, the Applicant was constrained to file I.A. No. 151 of 2026 seeking disclosure of details of the Fixed Deposits and release of the amounts to the CIRP account.

5.4 Durin the hearing of the said application 26.02.2026, Respondent No. 2 admitted the existence of Fixed Deposit Accounts of the Corporate Debtor but contended that the amounts lying therein could not be released due to a lien allegedly created by Respondent No. 1 on certain Fixed Deposit Accounts.

5.5 The Applicant RP came to know that Respondent No. 1 has created a lien on three Fixed Deposit Accounts of the Corporate Debtor, namely Account No. 140049886655, Account No. 2518401012508 and Account No. 5877401000339.

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5.6 The RP contends that the continuation of such lien during the subsistence of the moratorium imposed under Section 14 of the IBC, 2016 is impermissible and contrary to the scheme and object of the Code. Further, in view of the overriding effect of Section 238 of the Code, the provisions of the Code prevails over any inconsistent action taken by any authority or creditor.

5.7 It is submitted that one Fixed Deposit Account bearing Account No. 130018731556 does not have any lien or attachment created upon it. An amount of Rs. 81,86,172/- is presently lying in the said account. It is an asset of the Corporate Debtor and ought to be made available for the conduct of CIRP.

5.8 That the Respondent No. 2 has stated that the release of the amounts from the Fixed Deposit Accounts can only be effected upon obtaining appropriate orders from this Hon'ble Tribunal.

6. In support of his contention, the learned counsel for the Applicant would rely upon the following decisions:

- i. Ram Ratan Modi (RP) v. ICICI Bank, Darjeeling Branch, IA No. 1477/KB/2020 in CP (IB) No. 184/KB/2018, order dated 19.05.2021 (NCLT, Kolkata)-** That upon commencement of CIRP, the provisions of the Insolvency and Bankruptcy Code, 2016 override all other laws, and a moratorium prohibits any attachment or lien over the assets of the Corporate Debtor. Accordingly, directions issued by statutory authorities to freeze bank accounts cannot be sustained, particularly when the claims have been duly admitted in the CIRP.
- ii. In Gajesh Labhchand Jain v Axis Bank Limited & Ors., IA No. 616/2023 in CP (IB) No. 923/MB-IV/2020, order dated 18.05.2023 (NCLT Mumbai)-** The National Company Law Tribunal, Mumbai Bench, allowed the application filed by the Liquidator of Talwalkars Healthclub

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Limited and directed Axis Bank to defreeze all bank accounts of the Corporate Debtor that had been attached by the EOW, Income Tax, and GST authorities. The Tribunal held that such attachment during the subsistence of moratorium and liquidation is impermissible under the Insolvency and Bankruptcy Code, 2016, especially when the concerned authorities had already submitted their claims before the Liquidator.

iii. Mr. Hemant Mehta v. Commissioner of State Tax, Company Appeal (AT) (Insolvency) No. 238 of 2022- The National Company Law Appellate Tribunal held that once Corporate Debtor is undergoing CIRP or liquidation, statutory authorities cannot continue attachment or freezing of its bank accounts for recovery of dues. The Tribunal ruled that such actions are inconsistent with the Insolvency and Bankruptcy Code, 2016, as all claims must be submitted before and dealt with the Resolution Professional or Liquidator in accordance with the IBC waterfall mechanism, and accordingly directed de-freezing of the bank accounts to enable proper conduct of insolvency proceedings.

7. The details of account are as under:

Account No.	Date of Maturity	Principal Amount (Rs.)	Maturity Value (Rs.)
130018731556	19-04-2026	81,86,172	82,22,953.70
140049886655	23-06-2026	6,88,102	7,17,073.28
2518401012508	07-05-2029	18,33,162	20,52,242.82
5877401000339	02-03-2030	16,20,356	17,20,294.00
	Total	1,23,27,792	1,27,12,563.80

8. The facts are noted, decisions are considered. There is no quarrel with the proposition that lien over assets of the Corporate Debtor cannot continue during moratorium.

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- 9.** In the aforesaid backdrop, the following directions are issued:
- a.** The Respondent No. 1 shall remove the lien created on 05.03.2023 on the Fixed Deposit Accounts of the Corporate Debtor being Account No. 140049886655, Account no. 2518401012508, and Account No. 5877401000339, and/or any other accounts of the Corporate Debtor immediately within 7 days of uploading this order, failing which costs would be imposed.
 - b.** Once lien is removed, the Respondent No. 2 shall release the amounts lying in any and/or all Fixed Deposit Accounts of the Corporate Debtor to the designated CIRP account of the Corporate Debtor for its utilisation towards payment of CIRP costs, etc.
 - c.** The Respondent No. 2 shall however, immediately release the amount lying in Fixed Deposit Account No. 130018731556 of the Corporate Debtor to the designated CIRP account of the Corporate Debtor in the absence of any lien created by Respondent No. 1 on the said Fixed Deposit Account, may be utilized towards payment of the CIRP costs.
- 10.** Accordingly, I.A. (IBC) No. 380/KB/2026 is **allowed** and **disposed of** with the above directions.
- 11.** The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.

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12. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

**Cmde Siddharth Mishra
Member (Technical)**

**Smt. Bidisha Banerjee
Member (Judicial)**

This Order is signed on **6th** Day of **May 2026**.

Anubhuti S. (LRA)