

**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH, BENGALURU**

[Through Physical hearing/VC Mode (Hybrid)]

ITEM No.06

I.A.Nos.515, 593, 831/2023, Contempt Petition 01/2024

375/2024 in

C.P. (IB)No.168/BB/2020

IN THE MATTER OF:

M/s. Corporation Bank ... Petitioner

Vs.

M/s. Avvas Infotech Pvt. Ltd. ... Respondent

Order under Section 7 of Insolvency & Bankruptcy Code, 2016

Order delivered on: 08.07.2024

CORAM:

**SH. K. BISWAL
HON'BLE MEMBER (JUDICIAL)**

**SH. MANOJ KUMAR DUBEY
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the RP : Shri Balady Shekar Shetty
For the Applicant in
Contempt Petition 1/2024 : Shri Narayana Kamma
For the Respondent in I.A.515/2023 : Saji P. John
For the R-2 in Compt.Pet.1/2024 : Shri Satchidananda R. Jois

ORDER

I.A.No.515/2023:

1. Heard the Ld. Counsel appearing for the Respondent. None appeared for the Applicant.
2. List the case on **06.08.2024**.

I.A.No.593/2023:

1. Heard the Ld. Counsels appearing the Parties.
2. Ld. Counsel for the RP submits that they intend to withdraw the instant Application and requests time to file an Application for dissolution without going through liquidation. Therefore, one week's time is granted to the RP to file a comprehensive Application for dissolution.

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3. List the case with other IAs on **06.08.2024**.

Contempt Petition 01/2024:

1. This Application has been filed by the Applicant-Resolution Professional, U/s. 425 of the Companies Act, 2013 R/w. Section 11, 12 and 14 of the Contempt of Courts Act, 1971 R/w. Rule 11 of the NCLT Rules, 2016, against Mr. Sashidhar Jagdishan, Managing Director of HDFC Bank & 2 Ors. (Respondents), *inter alia*, seeking for initiating the contempt proceedings against the Respondents for non-compliance of this Tribunal Order dated 11.12.2023 in I.A.No.583/2023.
2. In compliance to Order dated 31.05.2024, Ld. Counsel appearing for the RP has filed a Memo *vide* Diary No.3415 dated 13.06.2024, *inter alia*, stating as follows:
 - i. The Adjudicating Authority *vide* Order dated 11.12.2023 directed the Respondents (HDFC Bank) to reverse a debt of Rs.1,25,348/- and credit the amount to the CD's Account within 15 days. As the Respondents failed to comply with the directions of the Adjudicating Authority, the Resolution Professional filed the present Application against them. The Respondents appeared before this Tribunal on 31.05.2024 seeking closure of the contempt proceedings on the ground that they have complied with the directions of the Adjudicating Authority.
 - ii. It is stated that the Respondents did not even bother to file a memo of compliance. In fact, they should have apologized unconditionally to the Adjudicating Authority for their deliberate inaction, which constitutes contempt of court. Therefore, the Respondent should bear the legal expenses incurred by the RP due to the violation of the Moratorium under Section 14 of IBC. Therefore, the Adjudicating Authority directed the Petitioner to file a memo in this regard.
 - iii. The Resolution Professional has engaged an Advocate to file the I.A.583/2023 and also the Contempt Petition No.1/2024. The following are the legal expenses incurred in this regard.

Case No.	Advocate Name	Amount
I.A.583/2023	Kamma Narayana	Rs.32,500
Contempt Pet.1/204	Kamma Narayana	Rs.24,000
Other miscellaneous cost		Rs.10,000
	Total	66,500

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The Resolution Professional had to incur this expenditure only due to actions of the Respondents hence these costs have to be borne by the Respondents.

3. Therefore, it is requested that the Respondents be directed to pay the legal costs incurred by the Resolution Professional to the Account of the Resolution Professional, the details of which are given in the said Memo.
4. Heard the Ld. Counsels appearing for the Parties.
5. In the circumstances and for the reasons mentioned in the Application, the instant Application bearing Contempt Petition No.01/2024 is hereby disposed of by directing the Respondents to pay Rs.50,000/- (Rupees Fifty Thousand only) as legal costs to the Resolution Professional's Account.
6. Accordingly, **Contempt Petition No.01/2024 is disposed of.**

I.A.No.375/2024:

1. This matter was already disposed of on 31.05.2024. However, the same is wrongly listed today.

-Sd-

**MANOJ KUMAR DUBEY
MEMBER (TECHNICAL)**

-Sd-

**K. BISWAL
MEMBER (JUDICIAL)**

Shruthi