

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **18.07.2024** THROUGH VIDEO CONFERENCE

PRESENT: HON'BLE SHRI SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

IN THE MATTER OF : State Bank of India
Vs
Hotel Milestonnez India Pvt Ltd

MAIN PETITION NUMBER : CP(IB)/243(CHE)/2021

(IA/MA) APPLICATION NUMBERS

IA/1541/(CHE)/2024

ORDER

Present: Ms. Jayanthi K Shah, Ld. Counsel for Liquidator.

Heard.

CIRP in the present case was initiated on an application filed by State Bank of India under Section 7 of IBC, 2016, against the Corporate Debtor vide Order dated 19.04.2022. The RP collected the details and found that one property was leased out by SIPCOT vide Lease Deed dated 05.06.2013, in respect of which the Corporate Debtor had paid Rs.60 lakhs. The land and building was kept as collateral with State Bank of India. Thereafter the liquidation order was passed.

The Liquidator added the lease hold property in the liquidation estate.

To maximize the value of the assets, the Liquidator conducted joint sale of the property of the Corporate Debtor and the guarantor under the IBC and the SARFAESI Act, by issuing a joint e-auction sale notice. It is seen that R2 and R3 were the suspended Directors of the Corporate Debtor and the bank had taken the possession of their property under the SARFAESI Act.

It is stated that the SIPCOT *suo moto* cancelled the lease hold rights on 19.05.2022 and subsequently registered the land in the name of another entity on 14.03.2023 for sale consideration of Rs.1.53 crores. It is stated that the said action was taken by SIPCOT during the CIRP period.

Accordingly, following prayer(s) has been made.

- a. *Direct the 1st Respondent to restore the schedule-mentioned property to the Corporate Debtor's liquidation estate since the suo moto cancellation of the registration was carried out during the moratorium period of the Corporate Debtor, which is prohibited as per I & B Code, 2016; consequently, permit the Liquidator to deal with the schedule property separately including e-auction sale to third parties if the same is restored to the liquidation estate and arrange to issue a certified copy of the lease deed;*
- b. *Direct the 1st Respondent to reimburse the amount of Rs.60 lakhs along with interest at the rate of 15.50 percent per annum from the date of the lease deed or reimburse the subsequent sale value of Rs.1,53,24,000/- towards the lease.*
- c. *To pass any other order/orders that this Tribunal may deem fit and proper.*
- d. *To direct the Respondent to pay a sum of Rs.50,000/- towards the cost of this application.*

Applicant/Liquidator is directed to serve copy of the Application on the Respondents and file Affidavit of service.

Two weeks' time is given to the Respondents to file reply after receipt of copy of the application.

Rejoinder, if any, be filed within two weeks thereafter.

List the Application for hearing on **26.08.2024**.

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[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)

MS

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[SANJIV JAIN]
MEMBER (JUDICIAL)