



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
WRIT PETITION NO.1578 OF 2026

Akola Urban Co-operative Bank Limited ... Petitioner
Vs.
Registrar of National Company Law Tribunal,
Mumbai Bench and others ... Respondents

Ms. Mahalakshmi G. a/w. Mr. Prashant Gawali and Mr. Gaurav Devdekhar i/b.
Mr. Aayush Kedia for Petitioner.

Mr. Rishabh Shah a/w. Mr. Anshul Anjarlekar i/b. Raval Shah & Co. for
Respondent No.2.

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

DATE : APRIL 17, 2026

P.C. :

1. In this petition on 08.04.2026, this Court had granted leave to the petitioner (secured creditor) to amend the writ petition in order to place on record relevant facts.

2. The petition has been amended.

3. The principal grievance of the petitioner is that the Debts Recovery Tribunal-II, Mumbai (DRT-II) erred in passing the impugned order dated 24.03.2025, observing that there was a moratorium pending in the light of a petition filed before the National Company Law Tribunal (NCLT) and that therefore, the petitioner could not take any further steps in the matter as per the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'Securitisation Act').

4. Respondent No.1 is the NCLT, while respondent No.2 is the



original borrower / guarantor and respondent No.3 is a third party that appears to have initiated proceeding before the NCLT against respondent No.2. By way of amendment, the Registrar of DRT-II has been added as a party respondent. It is brought to our notice that the impugned order of DRT-II can be set aside on the basis that the proceeding initiated before the NCLT has not resulted in the petition being registered, as the Registrar of NCLT has declined registration of the proceeding initiated under Section 95 of the Insolvency and Bankruptcy Code, 2016 (IBC).

5. There does not appear to be any dispute about the fact that the proceeding initiated before the NCLT no longer exists as Registrar of NCLT declined registration. In the face of such facts, the very basis of the impugned order dated 24.03.2025 is taken away and it is obvious that no moratorium is pending.

6. The learned counsel for respondent No.2 - original borrower / guarantor does not dispute the fact that the Registrar of NCLT declined registration of the proceeding initiated before the NCLT under the IBC. In the face of such admitted position on facts, the impugned order dated 24.03.2025 is quashed and set aside. It is held that there is no moratorium pending and hence, there can be no impediment for the petitioner (secured creditor) to take further steps under the provisions of the Securitisation Act, in accordance with law.

7. In view of the above, the writ petition is allowed in terms of prayer clause (a1). As regards prayer clause (a2), the petitioner is at liberty to proceed strictly in accordance with law in respect of the mortgaged premises.

8. At this stage, the learned counsel appearing for respondent No.2 submits that Securitisation Application No.158 of 2024 filed by the said respondent is pending consideration even today, wherein the petitioner



has not even filed its reply affidavit. It is submitted that this Court may consider directing the pending securitisation application to be disposed of expeditiously and in that light, appropriate directions may be issued to the petitioner also.

9. DRT-II, Mumbai is directed to dispose of Securitisation Application No.158 of 2024 as expeditiously as possible and preferably on or before 15.07.2026. To facilitate expeditious disposal, the petitioner is directed to file its reply affidavit in the said pending securitisation application within four weeks from today. The pleadings in the said securitisation application be completed within six weeks from today so that the same can be disposed of in the timeline, indicated hereinabove.

10. It is made clear that this Court has not made any observations on the merits of the rival claims.

11. The advocate on record for the respondent No.2 is permitted to file *Vakalatnama* in this petition within a week from today.

12. Reply affidavit tendered on behalf of respondent No.2 is taken on record.

(SHREERAM V. SHIRSAT, J.)

(MANISH PITALE, J.)