

" In our considered opinion, the Enforcement of Security Interest and Recovery of Debts and Loans and Miscellaneous Provision (Amendment) Act, 2016 came into force w.e.f. 01.09.2016 and by virtue of the said amendment, the right of the secured creditors to realise the secured dues and debt due, which are payable to the secured creditors by sale of assets over which security has been created, shall have priority over all other debts and government dues in including revenues, taxes, cesses and rates due to the Central Government, State Government or Local Authorities.

Not only this, it also has an overriding effect over all other enactments including the provisions the provisions of MP VAT Act, Central Sales Tax Act, Entry Tax Act and any other Tax Act. Though, an attempt has been made to demonstrate before this Court that the amendment will not dis-entitle to recover the dues by them as the dues are outstanding since 2012, nothing prevented the State Government to recover the dues since 2012 and the State Government woke up from slumber only after the amendment came into force and by virtue of the amendment in the Central Act, this Court is of the considered opinion that by no stretch of imagination, the State Government can be permitted to auction the property in question as Bank of Baroda has priority charge over the said property in light of the amendment which has been quoted above."

Bank of Baroda Vs. Commissioner of Sales Tax, M.P. Indore , (2018) 55 GSTR 210(MP)