

**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH**

**CA No. 22 of 2020
IN
CP (IB) No. 201/Chd/Hry/2018
(Admitted matter)**

In the matter of:

State Bank of India	...Applicant-Financial Creditor
Vs.	
SRS Limited	...Respondent-Corporate Debtor

Present: Ms. Shweta Dubey and Mr. Sumer Singh Brar, Advocates
for the applicant/Liquidator.

CA No. 22 of 2020

The instant CA filed by the Liquidator under Section 35(1)(n) and 60(5) of the Insolvency and Bankruptcy Code, 2016 (for short, the Code) read with Rule 11 of NCLT Rules, 2016, is taken up today on making mention in view of the urgency. It is submitted that in respect of the corporate debtor company, order of liquidation was passed by this Adjudicating Authority on 15.10.2019 in CA No. 391/2019 in CP (IB) No. 201/Chd/Hry/2018 as the resolution process did not result in any positive response in getting the resolution plan. It is also submitted that at the time of taking over the control of the corporate debtor company by the Interim Resolution Professional (IRP) after admission of the CP, an amount of ₹ 70 lacs was there in four Bank accounts being maintained in State Bank of India, SME Branch, Delhi. After taking over the charge, the IRP made efforts and he was able to continue the corporate debtor

as a going concern till date and now amount available in primary accounts is around 15 crores.

2. It is submitted that on 08.01.2020, respondent No. 1 – Enforcement Directorate issued a letter to respondent-2 (Branch Manager, SBI, SME Branch, Delhi) stating that the Directorate has initiated investigation against SRS group of companies under the provisions of PMLA, 2002 and directed the Bank to stop operation of all the four bank accounts of the corporate debtor mentioned in the aforesaid letter. It is submitted that the corporate debtor is a going concern and if the bank accounts of the corporate debtor are not allowed to be operated, it is not possible to continue the corporate debtor as a going concern and the interest of the corporate debtor as well as all the employees would be effected. In any event, the amount of about 14 crores in the bank accounts accrued after the initiation of CIRP, cannot be termed as proceeds of any crime or money laundering. Accordingly, the learned counsel prays for grant of stay of letter dated 08.01.2020 of the Enforcement Directorate.

3. the impugned letter dated 08.01.2020, does not indicate any specific provisions of PMLA under which the letter was issued. It is the specific case of the applicant-Liquidator that at the time of taking possession of the corporate debtor-company by the IRP, amount available in the accounts of the corporate debtor was only ₹ 70 lacs and as on today, the same is ₹ 15 crores. It is submitted by the learned

counsel for the applicant, on instructions that about ₹ 8 crores per month is required to maintain the corporate debtor as a going concern.

4. In the circumstances and in view of the prima-facie case made out, there shall be stay of letter dated 08.01.2020 issued by respondent No. 1 – Enforcement Director and respondent No. 2 shall permit the applicant to operate all the accounts with a total outer limit of ₹ 8 crores per month till the next date of hearing. However, the applicant shall file report of the amounts availed out of the said accounts before the next date of hearing.

5. Notice of this application to respondent No. 1 and 'Dasti' copy of this order be given to the learned counsel for the applicant under the signature of Court Officer for 'dasti' service on the respondent along with a copy of the application and entire paper book. Affidavit of 'dasti' service be filed at least two days before the next date of hearing.

6. List on 05.02.2020.

Sd/-

(Ajay Kumar Vatsavayi)
Member (Judicial)

Sd/-

(Pradeep R. Sethi)
Member (Technical)

January 10, 2020
saini

same is going to expire on 13.01.2020. The learned counsel submits that meeting of the financial creditors is to be convened but the financial creditors said that they would need more time. It is prayed that time of 90 days may be extended by four weeks more.

3. In the circumstances and in view of the object of the Code, the time provided under Regulation 2B of the Regulations is extended by 15 days w.e.f. 13.01.2020. The Liquidator shall take all necessary steps within the said time. It is made clear that no further extension of time will be considered for this purpose.

4. Accordingly, CA No. 13/2020 stands disposed of.

CA No. 14/2020

List this CA on 05.02.2020.

Sd/-

(Ajay Kumar Vatsavayi)
Member (Judicial)

Sd/-

(Pradeep R. Sethi)
Member (Technical)

January 10, 2020
saini