

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL**  
**NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 825 of 2019**

**IN THE MATTER OF:**

**Sai Ramakrishna Karuturi**

**...Appellant**

**Versus**

**Axis Bank Ltd. & Anr.**

**...Respondents**

**Present:**

**For Appellant :**

**Mr. Rajiv Ranjan, Senior Advocate with  
Ms. Neeha Nagpal, Mr. Vishwendu Tomar, Mr.  
Saumabho Ghose and Mr. Raza Abbas, Advocates**

**For 1<sup>st</sup> Respondent:**

**Mr. Arjun Krishnan, Mr. Ankur Singh and  
Mr. Kaustav Som, Advocates**

**O R D E R**

**16.08.2019** Learned Senior Counsel appearing on behalf of the Appellant submits that the money borrowed by the Corporate Debtor – ‘Karuturi Global Limited’ to the tune of Rs. 20 Crores + Rs. 33 Crores had already been paid to the Axis Bank (Financial Creditor). The amount of Rs. 20 Crores, as claimed, was never disbursed to the ‘Corporate Debtor’ (‘Karuturi Global Limited’) but it was disbursed to its subsidiaries.

It is further submitted that ‘Karuturi Foods Limited’ is under ‘Liquidation’ pursuant to the application filed by the ‘Axis Bank’ under the ‘Insolvency and Bankruptcy Code’. The asset of the ‘Corporate Debtor’ has also been sold by the ‘Axis Bank’ under the SARFAESI Act, 2012. Therefore, the application u/s 7 of the ‘I&B Code’ was not maintainable.

Let notice be issued on Respondents.

Mr. Arjun Krishnan, Advocate appears on behalf of 1<sup>st</sup> Respondent (Axis Bank). He is allowed to file reply-affidavit along with copy of complete Form 1 within 2 weeks. Rejoinder, if any, be filed by the Appellant within 2 weeks thereof.

Let notice be issued on the 2<sup>nd</sup> Respondent by Speed Post. Requisite along with process fee, if not filed, be filed by 19<sup>th</sup> August, 2019.

Post the case 'for Admission (After Notice)' on **18<sup>th</sup> September, 2019.**

In the meantime, the 'Interim Resolution Professional' will ensure that the company remains going concern and will take assistance of the (suspended) Board of Directors and the officers/ Directors/employees. The person who is authorised to sign the bank cheques may issue cheques but only after approval of the 'Interim Resolution Professional'. The bank account of the 'Corporate Debtor' be allowed to be operated for day-to-day functioning of the company such as for payment of current bills of the suppliers, salaries and wages of the employees'/workmen electricity bills etc.

[Justice S.J. Mukhopadhaya]  
Chairperson

[ Justice A.I.S. Cheema ]  
Member (Judicial)

[ Kanthi Narahari ]  
Member (Technical)

/ns/gc