



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**COURT - 2**

ITEM No.301  
C.P.(IB)/200(AHM)2021

**Proceedings under Section 9 IBC**

**IN THE MATTER OF:**

Kotyark Industries Limited  
( Erstwhile Known As Yamuna Bio Energy Pvt Ltd)  
V/s  
Global Medicines Ltd

.....Applicant

.....Respondent

**Order delivered on: 05/12/2025**

**Coram:**

Mrs. Chitra Hankare, Hon'ble Member(J)  
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

**ORDER**

This case is fixed before pronouncement of order.

The order is pronounced in open court vide separate sheet.

Sd/-

**DR. V. G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

Sd/-

**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD (COURT - II)**

**COMPANY PETITION (IB) 200 (AHM) 2021**

*(Application under Section 9 Read with rule 6 of the Insolvency  
and Bankruptcy Rules, 2016)*

**In the matter of:**

**Kotyark Industries Limited  
(CIN: L24100GJ2016PLC094939)  
(Erstwhile Known as Yamuna Bio Energy Pvt Ltd)**

Registered Office:

A-3, 2nd Floor, Housing Society,  
Ramakaka Temple Road, Shree Ganesh  
Nagar Chhani, Vadodara, Gujarat – 391740

..... Applicant

Versus

**M/s Global Medicines Limited  
(CIN: U24230GJ1994PLC021466)**

Registered Office:

N.H. No- 8, Near Sadanshah Pir,  
Gutal Road, Ta.- Nadiad, Uttarsanda,  
Kheda, Gujarat-387370.

..... Respondent

Order pronounced on 05.12.2025

**Coram:**

**MRS. CHITRA HANKARE  
HON'BLE MEMBER (JUDICIAL)**

**MR. VELAMUR G VENKATA CHALAPATHY  
HON'BLE MEMBER (TECHNICAL)**

Sd/-

Sd/-

**Present:**


For the Applicant : Mr. Nipun Singhvi Adv. a.w. Vishal J  
Dave. Adv.  
For the Respondent : Mr. Aditya J. Pandya, Adv.

**JUDGEMENT**

- 1 The instant application is filed by the Operational Creditor viz, Kotyark Industries Limited (Erstwhile Known as Yamuna Bio Energy Pvt Ltd), (hereinafter referred to as the "Applicant") through its director Gaurang Rameshchandra Shah under Section 9 of the Insolvency and Bankruptcy Code, 2016 ('IB Code') to initiate the Corporate Insolvency Resolution Process ('CIRP') against Corporate Debtor viz, M/s Global Medicines Limited (hereinafter referred to as the "Respondent") for having default of an amount of INR 3,79,81,906/- including interest. The date of default is stated to be 01.02.2020
- 2 The factual backdrop averred by the applicant is as under;
  - i. The Operational Creditor is engaged in the

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business of manufacturing and trading of Quming Ester, Veg Easter and Bio Diesel. The applicant in the course of its business, had made supply of goods to the respondent from 29.07.2017 to 01.02.2020 and for each delivery, invoices were raised against such supplies. These supplies were made before the commencement of the lockdown period.

ii. The applicant submitted that, as per the transactions with the respondent, the applicant has supplied goods which is governed by the provisions of the Indian Contract Act, 1872, the Sales of Goods Act, 1930 and other applicable laws for the time being in force

iii. The applicant further stated that the debt obligation of Corporate Debtor is for sum of INR 3,79,81,906/- which includes principle of INR 1,02,67,616/- plus interest of INR 2,77,14,290/- charged at 24% per day (as mentioned in invoice) from 01.04.2017 to 31.07.2021. Applicant in the present application attached the invoices, e-way

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bill, form GSTR-1 and GSTR-3B, as per Regulation 2B of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, confirmation letter and bank statements under Section 9(3)(e) of IB Code for placing as evidence of debt obligation of corporate debtor.


iv. The applicant issued demand notice dated 17.09.2021 in terms of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 under Rule 5 of the IBC(AAA) Rules 2016. It is submitted that respondent vide its reply dated 03.10.2021 has falsely denied its liability and failed to make it payments.

3 The respondent in its reply affidavit dated 10.02.2022 denies the allegations in the demand notice and submits that no operational debt is due or payable. The respondent submitted that the applicant's claim of INR 1,02,67,616/- as principal and INR 2,77,14,209/- as interest is merely based on its own fabricated ledger. The



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applicant is not entitled to claim any interest because the goods were supplied after purchase order and it does not contain any term for interest. Further stated that the applicant is wrongly relying on an unfair and exploitative clause in the invoice that demands interest at an exorbitant rate of 24% per day. It is well settled law that interest conditions printed only on an invoice are unilateral and cannot be enforced. The following judgments are relied in support:

- a. *Grammy Communications Pvt. Ltd. v. B.P.L. Telecom Pvt. Ltd.*; 2007 SCC OnLine Del 1123 (Para - 6).
- b. *Rohit Motawat v. Madhu Sharma*; Com. App. (AT) (Ins.) No. 1152 of 2022 dated 03.02.2023. (Para - 6 to 10).
- c. *S. S. Polymers v. Kanodia Technoplast Ltd.*; Company Appeal (AT) (Ins.) No. 1227 of 2019. (Para 3-5).

4 The respondent contended that no amount is due or payable, and the applicant has fabricated its accounts to show an alleged outstanding principal. The following entries are missing from the ledger filed with the petition



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Sr. No.	Entry Amount (INR)	Entry Date	Particulars
1	2,67,615/-	02.07.2020	Payment made to the Applicant
2	5,00,000/-	03.04.2020	Payment made to Applicant.
3	5,00,000/-	20.11.2019	Transferred to Loans & Advance
4	45,00,000/-	20.11.2019	Transferred to Loans & Advance
	<b>1,02,67,615/-</b>	<b>Total Amount</b>	

5. The respondent stated that Mr. Alpeshbhai Patel was a Director and major shareholder of the Corporate Debtor as well as a Director and shareholder in the Operational Creditor. During his directorship, he had given a personal guarantee of INR 2,10,52,632/- to a financial institution for the benefit of the Operational Creditor. In 2018, when he decided to resign and exit from the Operational Creditor, the parties agreed that INR 95,00,000/- would remain with the Corporate Debtor until the guarantee given by him was fully released. Accordingly, the Operational Creditor made an entry in its books showing INR 95,00,000/- as a debit balance standing in the name of the Corporate Debtor. This amount of INR 95,00,000/-

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is payable to the applicant upon satisfactory discharge of guarantee of Mr. Alpeshbhai Patel.

6 The respondent submitted that the respondent made payments of INR 5,00,000/- on and INR 2,67,615/, which are reflected in the Corporate Debtor's ledger as well as in the Applicant's bank statements.

7 The respondent further submitted that on 09.03.2020, the applicant emailed the updated ledgers, showing that INR 30,54,208/- was due in the Trading Account and INR 95,00,000/- was reflected as a debit balance in the Loans and Advances Account to the respondent. The respondent thereafter made payments between 31.03.2020 and 02.07.2020, totaling INR 30,54,207/-. Subsequently, on 26.09.2020, the respondent sent an email stating that all bills had been paid and the outstanding was nil the said email has never been controverted by the applicant. It is further stated that the amount of INR 95,00,000/- reflected in the Loans and Advances account does not constitute operational debt and, in any case, would become payable only upon the full discharge of the guarantees given by Mr. Alpeshbhai Patel.



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- 8 The respondent submitted that the applicant had transferred sums of INR 50,00,000/- and INR 45,00,000/- to the Global Medicine – Loans and Advances account, as reflected in the ledger circulated on 09.03.2020 but these entries do not appear in the ledger filed with the petition. The Respondent submits that if these entries are considered, no operational dues remain.
- 9 The respondent submitted that the applicant has relied upon false, forged and fabricated balance confirmation letter, whatsapp screenshot and fabricated ledger for which police complaint dated 08.10.2021 and FIR dated 04.02.2022 is lodged.
- 10 In its rejoinder dated 12.08.2022, the applicant denies all allegations raised in the reply and submits that the petition is maintainable as debt amount involved in the present application is much above the threshold, reliance is placed on Hon'ble NCLAT judgement in *Mr. Prashat Agarwal, Vs Vikash Parasrampuriah & Anr. [Company Appeal (AT) (Ins) No. 690 of 2022]* wherein it was held that:

2 "It is, therefore, clear from these facts that the total

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*amount for maintainability of claim will include both principal debt amount as well as interest on delayed payment which was clearly stipulated in the invoice itself. It is noted that the total principal debt amount of Rs. 97,87,220/- along with interest the total debt makes total outstanding as Rs. 1,60,87,838/- . Thus, the total debt outstanding of OC is above Rs. 1 crore as per requirement of Section 4 IBC read with notification No. S.O 1205 (E) dated 24.3.2020 (Supra), and meets the criteria of Rs. 1crore as per Section 4 of IBC and Application is therefore maintainable in present case.”*

11 It is further submitted that the entire basis of the respondent defence is incorrect and misleading, as the personal guarantees of Mr. Alpeshbhai stood fully discharged upon repayment of the respective financial facilities. The MAS Financial Services Limited as well as the Bank of Baroda have both issued No Objection Certificates confirming that the loans availed by the Operational Creditor were fully paid and that the personal guarantees furnished by Mr. Alpeshbhai were duly released. However, the issue of personal guarantee of

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Alpeshbhai has nothing to do with the supply of goods. Therefore, any reliance placed by the Corporate Debtor on past ledger entries or on the erstwhile guarantees of the ex-director is wholly irrelevant and cannot constitute a valid defence to the admitted dues and default.

12 It is submitted by applicant that Corporate Debtor has not paid outstanding dues of Operational Creditor therefore, the input tax credit on purchase shall be reversed if payment of such purchase is not paid by Corporate Debtor within 180 days u/s 16(2)(d) of CGST Act, 2017 therefore, to avoid/evade the taxation, penalty and interest such frivolous entry has been made.


13 Further contended that the respondent's reliance on the email dated 26.09.2020 is baseless, as the Applicant immediately objected to it and thereafter requested written balance confirmations, which the Corporate Debtor itself issued and sent through registered post; the postal receipts and tracking details, shared by respondent's director Mr. Mukesh L. Vaswani through whatsapp communication. The balance confirmation letter was duly signed by Mukesh Vaswani. The Applicant



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has placed on record an expert opinion which verified the signature.

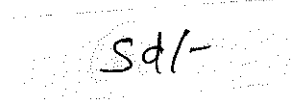
14 The applicant stated that respondent's reliance on the FIR is irrelevant, as the criminal complaint was filed only after receipt of the Demand Notice. Reliance is placed on the Hon'ble NCLAT judgement in *Subhash Chand Gupta Vs. Bhavesh Texo Fab Pvt. Ltd. [Co. Appeal (AT) (Insolvency) No. 816 of 2022]* wherein it was held that:

*"13. We are of the view that Appellant cannot take any benefit of Criminal Proceedings initiated by the Appellant by filing an Application under Section 156 of the Cr. PC which proceedings were initiated subsequent to receipt of Demand Notice. Application under Section 9 was to be considered and decided on the basis of material which was brought by the Operational Creditor with regard to its debt and default and the Adjudicating Authority being satisfied that there is debt which remained unpaid, no error has been committed by the Adjudicating Authority in admitting the Section 9 Application. "*

15 Both the parties have filed their written submissions.



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16 Heard the counsels for the petitioner as well as the respondent. Perused the documents available on record.


17 Observations & findings:

a. We observe from the various invoices submitted that the terms of delivery and payment is specified to be that if the amount is not paid of the invoice the seller (Operational Creditor) would charge an interest at 24% per day. These invoices are signed by both the parties and even in absence of a purchase contract the same is binding on both the parties. The invoices do not specify the due dates but has a provision for charging interest.

b. Demand notice was issued by the applicant on 17.09.2021 in Form 3 which narrates various supplies made between 23.12.2018 to 01.02.2020 and the interest is charged from 01.04.2021 till 31.07.2021 and date of default is stated to be 01.02.2020 when the last invoice was raised. The applicant also attached various documents including the filing before the information utility that there was no dispute raised.

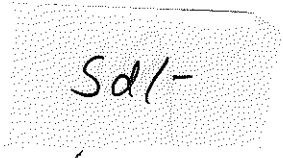
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c. The respondent replied vide its letter dated 03.10.2021 making various irregularities in the demand notice, but admits that during the stated period the goods were supplied, but does not provide for any interest to be charged. The respondent reveals certain close relatives having shares in both entities but does not deny the supply or business between both entities but has denied the debt due as fabricated. It also states that there were some guarantees issued for the loans of one of the directors for an amount of INR 95,00,000/- and there were two transactions for the purpose of deposit to cover the guarantee of Mr. Alpesh Girishbhai Patel and other for sale transaction of goods. The defence made in this reply does not mention any pre-existing disputes but merely mentions certain understandings or other financial accommodation between both the parties, which cannot be set off and there is a provision of interest in the invoices.


d. We observe that there is a debt and default. The



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application apparently seems to have been filed within the period of limitation and is compliant. Further even if some residual payments were made to meet the invoices outstanding, the debt which includes the principal and interest exceeds the minimum amount of INR 1 crore and the denial if any of the CD is found to be without any substance. The RP on appointment will verify the claim amount based on its admissibility after netting payments if any made as the debt and default are clearly above INR 1 crore and the respondent CD is liable to pay the applicant.


18 In view of the above, we pass the following orders:

**ORDER**

- I. The CP (IB) 200 of 2021 is allowed.
- II. The Corporate Debtor – M/s Global Medicines Limited is admitted into Corporate Insolvency Resolution Process under section 9(5) of the Code.
- III. The order of moratorium under section 14 of the Code shall come to effect from the date of this order till the completion of the Corporate Insolvency Resolution Process

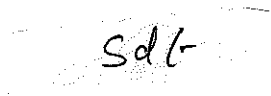
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or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of the corporate debtor under Section 33 of the IBC 2016, as the case may be.


- IV. However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the corporate debtor as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period.
- V. We hereby appoint from the panel suggested by IBBI, Mr. Mahendra Prasad Jindal, Registered IP having IBBI registration no. as IBBI/IPA-001/IP-P00616/2017-2018/11073 Email-mpjindal@rediffmail.com, under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP). He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.
- VI. The IRP so appointed shall make a public announcement of the initiation of Corporate Insolvency Resolution Process and call for submissions of claims under section 15, as required by Section 13(1)(b) of the Code.

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- VII. The IRP shall perform all his functions as contemplated, inter- alia, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the corporate debtor, its promoters, or any other person required to assist or co-operate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.
- VIII. The IRP is expected to take full charge of the corporate debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.
- IX. The IRP shall be under a duty to protect and preserve the value of the property of the 'corporate debtor company' and manage the operations of the corporate debtor

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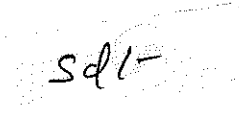


company as a going concern as a part of obligation imposed by section 20 of the Code.


- X. The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor. We direct the Operational Creditor to pay IRP a sum of INR 2,00,000/- (Rupees Two Lakh Only) in advance within a period of 7 days from the date of this order to meet the cost of CIRP arising out of issuing public notice and inviting claims till the CoC decides about his fees/expenses.
- XI. The Registry is directed to communicate this order to the Operational Creditor, corporate debtor, and to the Interim Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India after completion of necessary formalities, within seven working days and upload the same on the website immediately after pronouncement of the order. The Registrar of Companies shall update its website by updating the Master Data of the Corporate Debtor in MCA portal specific mention regarding admission of this



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Application and shall forward the compliance report to the Registrar, NCLT.

XII. The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

Sdl-

**DR. V.G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

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**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

*KJ- LRA*