

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-IV**

**C.P. No. 533/IBC/MB/2023**

Under Section 10 of the Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016.

*In the matter of*

**Yashraj Conatineurs Limited**

(CIN- L28120MH1993PLC073160)

Having registered office at:  
Madhav Niwas CHSL, Flat No. B-1 A, 1<sup>st</sup> Floor, Natakwala Lane, Opp. S.V. Road, Borivali West, Mumbai-400092.

**...Corporate Applicant**

**Ordered Pronounced on: 22.02.2024**

**Coram:**

Ms. Anu Jagmohan Singh

Shri Kishore Vemulappalli

Hon'ble Member (Technical)

Hon'ble Member (Judicial)

*Appearances:*

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For the Applicant

:Mr. Nausher Kohli a/w  
Adv. Ashwini Gawde  
Present.

For the Respondent

: Adv. Shikha Bhura  
Present.

**ORDER**

1. This Company petition is filed by *Yashraj Containeurs Limited* (hereinafter called “Corporate Applicant”) seeking to initiate Corporate Insolvency Resolution Process. The said application is being preferred by the Corporate Applicant owing to financial stress faced by it, consequent to which it is not in a position to repay the debts due to its creditors.
2. The present petition is filed before this Adjudicating Authority on the ground that the Corporate Applicant failed to make payment of a sum of Rs. 73,20,34,797/- (Rupees Seventy-Three Crore Twenty Lakhs Thirty-Four Thousand Seven Hundred and Ninety-Seven only).
3. The brief facts of the case are as follows: -
  - a. The Corporate Applicant was incorporated on 22.07.1993 under the provisions of Companies Act, 2013 to carry on business of manufacturing and

trading of drums and barrels and other allied activities relating to the same.

b. Subsequently, Corporate Applicant availed loan of Rs. 49,94,53,000/- (Rupees Forty-Nine Crore Ninety-Four Lakh and Fifty-Three Thousand only) with respect to the Secured Credit facilities from Bank of India and Rs. 8,43,11,796/- (Rupees Eight Crore Forty-Three Lakhs Eleven Thousand Seven Hundred and Ninety-Six Only) with respect to unsecured borrowing from connected parties. Moreover, the Credit Facilities from Bank of India were availed and the last realignment of Credit Facilities were made on 13.10.2014. Further, charges were created on the Assets of the Corporate Applicant.

c. It was submitted that the Corporate Applicant was already a sick unit (as declared by BIFR vide order dated 21.12.2011 as a Sick Industrial Unit) and was running with limited means with huge liabilities. The profits, if any, earned by the Corporate Applicant, trade receivables and other assets of the Corporate Applicant are not sufficient to meet the huge liabilities of the Corporate Applicant. The Corporate Applicant has not been able to resurrect from its sick status despite the genuine efforts of its promoters.

- d. It was submitted that due to non payment of the agreed amount by the Corporate Person, Bank of India issued a notice dated 25.08.2015 under section 13 (2) of the SARFAESI Act, 2002 wherein an amount of Rs. 47,74,52,796.63/- demanded by the Bank. The Bank further issued legal notice dated 26.03.2018 for recalling of an amount of Rs. 65,82,68,142.67/- (Rupees Sixty-Five Crores Eighty-Two Lakhs Sixty-Eight Thousand One Hundred Forty-Two and Sixty-Seven Paise only).
- e. It was submitted that pursuant to order dated 07.12.2023 by this tribunal, the Corporate Applicant by way of an additional affidavit submitted the Financial Statements for the last 5 years which clearly manifests the financial distress being suffered by the Corporate Applicant herein and its liability to pay the outstanding debts despite its bonafide intentions and efforts to pay off debts.
- f. In the light of the above stated facts and circumstances, the Corporate Applicant being left with no other option is compelled to file the present application considering the weak financial health and incapacity of corporate applicant to liquidate the outstanding debt due to it. The present application is being filed after the due approval of its

shareholders by way of Extra Ordinary General Meeting dated 17.06.2023 for initiation of Corporate Insolvency Resolution Process under Section 10 of the Code.

4. Heard the counsel appearing for the Corporate Applicant and Counsel appearing for the Financial Creditor, Bank of India and perused the record.
5. In view of Section 10 application filed by the Corporate Applicant, it was observed that when matter was listed on 17.01.2024 for hearing, the Counsel appeared for the Financial Creditor i.e. Bank of India and submitted that the bank has filed an affidavit dated 12.09.2023 wherein it has been stated that the bank has no objection in the present application.
6. The Corporate Applicant has enclosed a copy of Special Resolution passed by the shareholder of the company in their Extra-Ordinary General Meeting held on 17.06.2023 for initiating Corporate Insolvency Resolution Process u/s 10 of Insolvency & Bankruptcy Code.
7. Owing to defaults by the Corporate Applicant in making payment under the facilities extended by the bank, demand notice was issued by the bank to the

Corporate Applicant informing the default/irregularity in cash credit account and also repayment of loan amount. The bank issued a notice to corporate applicant classifying the debt as Non-Performing Asset (NPA) in accordance with the directive/guidelines relating to asset classification issued by Reserve Bank of India consequent to default committed by Corporate Applicant in repayment of principal and debt and interest.

8. Further, the Corporate Applicant has also enclosed the audited financial statements for the years 2021-22 and 2022-23 and the provisional financial statements for the current financial year made upto 18.06. 2023 and has also enclosed statement of affairs as on 18.06.2023. The Corporate Applicant has also enclosed list of financial creditors(secured), list of un-secured related party financial creditors and their dues, list of properties given as security for the loans availed and extract of charges created. The Corporate Applicant disclosed the names and addresses of the members of the Company with details of their shareholding, details of debt owed by or to the Corporate Applicant to or by persons connected with it and details of personal guarantors of the Corporate Applicant.

9. After hearing the submissions and upon perusing the

supporting documents annexed with the Petition, this Bench is of the view that the Corporate Applicant has committed default and the Petition contains the particulars as required u/s 10 of the Code. The Applicant has fulfilled the requirement of Section 10(3) of the Insolvency & Bankruptcy code, 2016. The Corporate Applicant also suggested the name of Mr. Manish Motilal Jaju, Registration No: IBBI/IPA-001/IP-P00034/2016-17/10087, as Interim Resolution Professional, Having registered address at D 502, Neelkanth Business Park, Vidyavihar, Mumbai, Maharashtra-400086, along with his consent letter in Form II. Thus, the present Company Petition satisfies all the necessary legal requirements for admission. Accordingly, the above Company Petition is admitted by passing the following:

**ORDER**

- a. The above Company Petition No. (IB) - 533/(MB)/2023 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against Yashraj Containeurs Limited.
- b. This Bench hereby appoints Mr. Manish Motilal Jaju, Registration No: IBBI/IPA-001/IP-P00034/2016-17/10087, Having registered address at D 502, Neelkanth Business Park, Vidyavihar,

Mumbai, Maharashtra-400086, as the interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

- c. The Corporate Applicant shall deposit an amount of Rs.5Lakh towards the initial CIRP cost by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount only for expenses till his fee is decided byCOC.
- d. That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate applicant including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the corporate applicant any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the corporate applicant in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; the recovery of any property by an owner or

lessor where such property is occupied by or in the possession of the Corporate applicant.

- e. That the supply of essential goods or services to the Corporate applicant, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- f. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- g. That the order of moratorium shall have effect from the date of pronouncement of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate applicant under section 33, as the case may be.
- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management of the corporate applicant will vest in the IRP/RP. The suspended directors and employees of the corporate

applicant shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.

- j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Applicant.
- k. Accordingly, this Petition is admitted.
- 1. The Registry is hereby directed to communicate this order to Corporate Applicant and IRP immediately.

Sd/-

**ANU JAGMOHAN SINGH**  
**MEMBER(TECHNICAL)**

Sd/-

**KISHORE VEMULAPALLI**  
**MEMBER(JUDICIAL)**