



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT II

CP (IB) 196/MB/C-II/2024

Under section 10 of the Insolvency &
Bankruptcy Code, 2016 r.w. Rule 7 of the
Insolvency and Bankruptcy (Application to
Adjudicating Authority) Rules, 2016

In the matter of

**M/s. Jayesh Lifescience India Private
Limited**
[CIN: 74999MH2015PTC263269]

Registered office at Sh. No-5, Bhavani Jyot
Tower, NR. Jesal Park, Chandan Park,
Bhayandar (east), Thane,
Maharashtra- 401105.

...Corporate Debtor

Order Pronounced on 05.08.2024

Coram:

Anil Raj Chellan
Member (Technical)

Kuldip Kumar Kareer
Member (Judicial)

Appearances:





For the Corporate Debtor

: Adv. Manoj Kumar Mishra

ORDER

Per: Coram

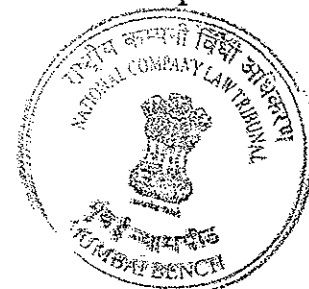
1. This Application is filed under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("the Code") read with Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by Jayesh Lifescience India Private Ltd (in short, "the Corporate Debtor") for initiation of Corporate Insolvency Resolution Process (CIRP) following a default in meeting the financial obligations to its Financial Creditors amounting to Rs. 15,84,22,776/-.
2. It is submitted that the Corporate Debtor is a Private Limited Company incorporated on 1.04.2015 bearing CIN: U74999MH2015PTC263269 and having its Registered office at S. No. 5, Bhavani Jyot Tower, Nr. Jesal Park, Chandan Park, Bhayandar (East), Thane Maharashtra 401105.
3. It is stated in the Application that the Corporate Debtor has no Operational Creditors but has certain liabilities to seven Financial Creditors and as on 31.01.2024, the cumulative loss of the Company amounts to Rs. 15,84,22,776/- which exceeds the potential of the Company.
4. The Axis Bank had issued a sanction letter of credit facility dated 16.03.2018 for an amount of Rs. 7.50 Crores to the Corporate Debtor.
5. The State Bank of India also issued a sanction letter of credit facilities dated 30.03.2019 for an amount of Rs. 3 Crores to the Corporate Debtor for the purpose of meeting its working capital requirements. Due to non-payment





of the said credit facilities, the Bank classified the account of the Corporate Debtor as NPA on 28.10.2019. Thereafter, the Bank on 24.07.2020 issued notice under 13(2) of the SARFAESI Act, 2002.

6. Considering the facts that the company is going through acute financial distress, the most viable option for the Company to restructure and revive its operations would be a resolution of the Corporate Debtor by initiating the CIRP under the Code, 2016.
7. Therefore, the Board of Directors of the Corporate Debtor in its meeting held on 20.12.2023 passed a Resolution to file an Application under Section 10 of the Code for initiation of the CIRP due to difficulty in paying off the liability of the company and no operations were being carried out by the Company.
8. The documents produced by the Applicant to prove the existence of debt are as follows:
 - a) Copy of the Sanction Letter from State Bank of India.
 - b) Copy of the Sanction Letter from Axis Bank.
 - c) Provisional Financials as on 31.03.2021, 31.03.2022, 31.03.2023 and for the period ending 31.01.2024.
 - d) Copy of Demand notice dated 24.07.2020 issued by State Bank of India u/s. 13(2) of SARFAESI Act, 2002.
9. Further, the Corporate Debtor has placed on record the Special Resolution passed by the members at the Extra-Ordinary General Meeting of the Corporate Debtor dated 24.01.2024 to authorize the Board of Directors to initiate the CIRP proceedings in respect of the Corporate Debtor.



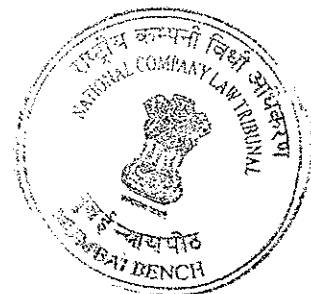


10. Debts of the Corporate Debtor are as follows:

Sr. No.	Names of Financial Creditors	Outstanding Dues
1.	Axis Bank Ltd.	7,98,42,469/-
2.	State Bank of India	6,64,80,307/-
3.	Kotak Mahindra Bank	25,00,000/-
4.	ICICI Bank	25,00,000/-
5.	HDFC Bank Ltd.	25,00,000/-
6.	Clix Capital	23,00,000/-
7.	Deutsche Bank	23,00,000/-
Total		15,84,22,776/-

11. The Corporate Debtor has also mortgaged the following properties for the loan obtained from Axis Bank Ltd. The property details are as follows:

I. Shop No. 5-6, Bhavani Jyot Tower, Chandan Park, Bhyander East, Thane – Owner Nitin Prajapati and Chandrika Prajapati.





- II. Flat No. 407, A- Wing, Royal Apartment, Jai Bhawani Lane, Kasam Baug, Malad East, Mumbai – 400097 owned by Pravin Prajapati.
 - III. Flat No. 18, Ritu Park, Parekh Nagar, Malad East, Mumbai-400097 owned by Pravin Prajapati.
 - IV. Gala No. 14, Building No. A-15, F7, Prerna Complex, Taluka Bhiwandi, Thane owned by Pravin Prajapati.
 - V. Gala No. 12, 1st Floor Building No. A-15, F7, Prerna Complex, Taluka Bhiwandi, Thane owned by Nitin Prajapati.
12. The Corporate Debtor had also obtained loans from State Bank of India against the collateral provided by Mr. Nitin Prajapati and Dhruv Wellness Ltd. as follows:
- i. Shop No. 507, Bhavani Jyot Tower, Chandan Park, Bhyander East, Thane- Owner name Nitin Prajapati.
 - ii. C-9, Sanskruti May Home, Dahegam, District Gandhi Nagar, Gujarat- owned by Dhruv Wellness Ltd.
13. The Corporate Debtor has issued notice dated 01.04.2024 to the creditors.
14. We have heard the Counsel for the Applicant and have carefully gone through the record.
15. The Applicant/Corporate Debtor is stated to be in default of a total sum of Rs. 15,84,22,776/-. As per the documents available on record, the account of the Corporate Debtor in respect of the credit facilities availed from State Bank of India was classified as NPA on 28.10.2019 and, therefore, the effective date of default would be 28.07.2019 which is not covered under Section 10A of the Insolvency and Bankruptcy Code, 2016. The notices





were duly served upon the Financial Creditors but none of them appeared to raise any objections against the present Petition. There are no Operational Creditors of the Corporate Debtor. As per the provisional balance sheets for the year ending 31.03.2023 and 31.03.2024, the Corporate Debtor has shown a sum of Rs. 12.31 crores on account of capital loan from banks. State Bank of India also issued a notice dated 24.07.2020 under Section 13(2) of the SARFAESI Act, 2002 calling upon the Corporate Debtor to pay the outstanding dues of Rs. 4.04 crores.

16. From the above referred facts and circumstances, we are satisfied that the Applicant/Corporate Debtor has committed a default in respect of financial debt. The Corporate Debtor has also passed a resolution to file an application under Section 10 of the Insolvency and Bankruptcy Code, 2016. The Corporate Debtor has further suggested the name, Mr. Mukesh Kumar Jain as Interim Resolution Professional (IRP) who has also filed his written consent in Form-2 under Rule 9 of the Insolvency and Bankruptcy (Application to Adjudicating Authority Rules, 2016 which is annexed with the Petition.
17. As a result of above foregoing discussion, we are of the consider view that the Corporate Debtor has been able to prove the existence of financial debt and its default. Therefore, the Petition under Section 10 of Insolvency and Bankruptcy Code, 2016 deserves to be admitted and it is ordered accordingly in following terms:-

ORDER

- a. The above Company Petition No. (IB) 196/(MB)/2024 is hereby admitted and initiation of the Corporate Insolvency Resolution Process (CIRP)





is ordered against **M/s Jayesh Lifescience India Private Limited.**

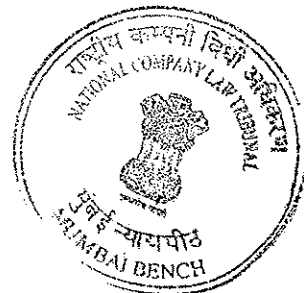
- b. This Bench hereby **appoints Mr. Mukesh Kumar Jain, Registration No: IBBI/IPA-001/IP-P01236/2018-19/11944 as the Interim Resolution Professional** having his address at Flat No. 006, Nanda Ashirwad Apartments, No.1, Canara Bank Colony, 2nd Main, Chandra Layout, Bangalore, Karnataka- 560072 **Email: mkj2822@gmail.com ; Mobile No- 9937625943** to carry out the functions as mentioned under the **Insolvency & Bankruptcy Code, 2016.**
- c. The Corporate Debtor shall deposit an amount of Rs. 4,00,000/- (Rupees four lakhs Only) 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.
- d. That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including the 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 Debtor any of its assets or any legal





right or beneficial interest therein; any action to foreclose, recover enforce any security interest created by the Corporate Debtor 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 Debtor.

- e. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended, or interrupted during the 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 the Corporate Debtor under section 33, as the case may be.

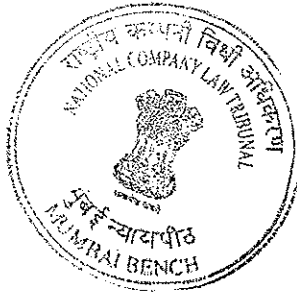




- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management the Corporate Debtor will vest in the IRP/RP. The suspended directors and employees of the Corporate Debtor 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 concerned Registrar of Companies, Mumbai for updating the Master Data of the Corporate Debtor.


18. The Registry is hereby directed to communicate this order to Applicant and IRP immediately.

Sd/-
Anil Raj Chellan
Member (Technical)



Sd/-
Kuldip Kumar Kareer
Member (Judicial)

Certified True Copy
Copy Issued "free of cost"
On 05/08/2024


Deputy Registrar

National Company Law Tribunal Mumbai Bench