

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**DIVISION BENCH, COURT – 1, AHMEDABAD**

ITEM No.218 - C.P.(IB)/197(AHM)2026

With

ITEM No.219 - IA/935(AHM)2026

**Proceedings under Section 121 of IB Code, 2016**

**IN THE MATTER OF:**

**State Bank of India**

Having Its Office at  
4<sup>th</sup> Floor, SBI Building,  
Lal Darwaja, Ahmedabad-380001

.....Financial Creditor  
/Applicant

**VERSUS**

**Shri Bharat Bhushan Jain**

Having its address at:  
903, 9<sup>th</sup> Floor, Kanhaiya Palace,  
Nr. Vrundavan Dairy Off. Kotak Bank Lane,  
Ghod Dod Road, Dist- Surat,  
Gujarat-395007

.....Personal  
Guarantor/ Respondent

**Order delivered on: 10/07/2026**

**C O R A M:**

**MR. SHAMMI KHAN, HON'BLE MEMBER (J)**

**MR. SANJEEV SHARMA, HON'BLE MEMBER (T)**

**P R E S E N T:**

For the Applicant : Ms. Nitu Chaturvedi, Advocate a. w.  
: Mr. Aditya Raval, Advocate  
For the Respondent :

**ORDER**  
**(Hybrid Mode)**

**IA/935(AHM)2026**

1. This Interlocutory Application being **IA/935(AHM)2026** has been filed by the applicant for condonation of delay of 9 days in filing the accompanying **C.P.(IB)/197(AHM)2026** filed U/s. 121 of IBC, 2016, with following prayers:

- A. *This Hon'ble Tribunal may be pleased to allow the present Interlocutory Application;*
- B. *This Hon'ble Tribunal may be pleased to condone the delay of 9 days from last day of filing of application i.e 18/5/2026.*
- C. *To pass any other necessary orders as deemed fit by the Hon'ble NCLT in the interest of justice.*

2. The NCLAT Chennai Bench in *Satyanarayana Malla v. State Bank of India* (2025), C.A. (AT) (CH) (Ins) No. 52, 54, 56, & 57/ 2025 decided on 06.02.2025 as well as NCLT Kochi Bench in *Kerala Financial Corporation v. Bharath Chandran*, (2025) ibclaw.in 1678 NCLT, decided on 03.09.2025 held that the three-month time limit in Section 121(2) for filing a bankruptcy application against a personal guarantor is directory, not mandatory, delay in filing bankruptcy applications can be condoned, especially when such delays are justified and do not prejudice the rights of the parties involved.
3. The grounds mentioned in the I.A. for delay are sufficient. Therefore, delay in filing the Company Petition to initiate Bankruptcy Process U/s 121 of the IBC, 2016 is condoned.
4. Accordingly, **IA/935(AHM)2026** filed by the Applicant/FC is allowed and disposed of.

**C.P.(IB)/197(AHM)2026**

1. The Petitioner/Financial Creditor has filed this Petition under Section 121 of the Insolvency and Bankruptcy Code, 2016 seeking initiation of Bankruptcy Process against **Bharat Bhushan Jain** who is Personal Guarantor to Corporate Debtor of **M/s. Sysco Industries Limited**.
2. Perusal of the Form-B, Part-I of the application reveals that the Financial Creditor is State Bank of India, having its office at 4<sup>th</sup> Floor, SBI Building, Lal Darwaja, Ahmedabad.
3. Perusal of Part-II reveals that Personal Guarantor is **Bharat Bhushan Jain Dharodiya**. As per Clause 14 of Part-II, the guarantee was given for Corporate Debtor – M/s. Sysco Industries Limited Part-III of the application reveals that the total debt (including any interest or penalties) as on 27.01.2026 is **Rs.1,43,70,08,732.08/-**.
4. The Applicant/Financial Creditor has not proposed the name of any person.
5. In support of the application for bankruptcy, the Petitioner has relied upon the following documents: -

1. *A copy of Gazette Notification No. ORG/17405 dated 27.03.1987 published in Gazette Notification No. 18 dated 02.05.1987 issued pursuant to Regulation 76(1) of the State Bank of India General Regulations, 1955 (framed under section 50 of the State Bank of India Act, 1955) and Letter of Authority dated 26.05.2026 **Exhibit-A & B***
2. *A Copy of DRT Order dated 20.11.2019 **Exhibit -C***

3. A copy of Admission Order dated 08/09/2021 passed by Honorable NCLT Ahmedabad in CP (IB) 62 of 2021 commencing corporate insolvency process of CD **Exhibit -D**
4. A copy of Resolution Plan vide Order dated 01.07.2022 in IA 287 of 2022 passed by Hon'ble NCLT Ahmedabad Bench **Exhibit-E**.
5. A copy of CP(IB)63 of 2023 under Section 94 application filed before the NCLT, Ahmedabad by Bharat Bhushan Jain, Personal Guarantor(s) to the Corporate Debtor(s) – M/s. Sysco Industries Ltd. Which got admitted vide Order dated 24.04.2024 **Exhibit -F**
6. Copy of Final Order of Closure of PIRP proceedings vide Order dated 17.02.2026 in IA No.444 of 2025 in CP(IB) No.63 of 2023 **Exhibit -G**
7. Copy of NeSL – Record of Default **Exhibit -H**
8. Copy of Sanction Letter dated 12.10.2016 **Exhibit -I**
9. Copy of Supplementary Agreement **Exhibit -J**
10. Copy of Deed of Guarantee dated 21.10.2016 **Exhibit -K**
11. Copy of Legal Notice dated 30.03.2018 **Exhibit -L**
12. Copy of Demand Notice Form-B issued on 01.09.2021 under Rule 7(1) of Insolvency and Bankruptcy (Application Adjudicating Authority for Insolvency Resolution Process of Personal Guarantor to Corporate Debtor) Rules, 2019) **Exhibit -M**
13. Copy of Account Statement in context with Sysco Industries Limited **Exhibit -N**
14. Copy of Certificate under Bankers Book Evidence Act, 1891 **Exhibit -O**
15. Copy of the working of outstanding amount in Tabular Format showing the principal outstanding, accrued interest, penal interest and the total dues of the Corporate Debtor(s) as on 26.05.2026 **Exhibit -P**
16. Copy of notice under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated 12.11.2018 **Exhibit - Q**
17. Copy of CP (IB) 63 of 2023 **Exhibit – R**
18. Copy of Reply filed the State Bank of India in CP(IB) 63 of 2023 **Exhibit – S**
19. Copy of report under Section 99 filed by Resolution Professional in CP (IB) 63 of 2023 **Exhibit - T**
20. Copy of 1<sup>st</sup> Meeting of Creditor along with voting sheets **Exhibit U**
21. Copy of Closure Application is IA No.444 of 2024 **Exhibit V**
22. Copy of Asset Investigation Report **Exhibit W**

6. We have heard the Ld. Counsel for Applicant/FC and perused the documents on record.

7. Section 121 of the IBC, 2016 of Chapter IV provides that:-

121. Application for bankruptcy. -

(1) *An application for bankruptcy of a debtor may be made, by a creditor individually or jointly with other **creditors** or by a **debtor**, to the Adjudicating Authority in the following circumstances, namely; –*

(a) *where an order has been passed by an Adjudicating Authority under sub-section 4 of section 100; or*

(b) ***where an order has been passed by an Adjudicating Authority under sub-section 2 of section 115; or***

(c) *where an order has been passed by an Adjudicating Authority under sub-section 3 of section 118.*

(2) *An application for bankruptcy shall be filed within a period of **three months** of the date of the order passed by the Adjudicating Authority under the sections referred to in sub section (1).*

(3) *Where the debtor is a firm, the application under sub-section (1) may be filed by any of its partners.*

8. On perusal of the Petition, this Adjudicating Authority is satisfied that the requirements under Section 121 of the Code, including record of insolvency process, debt details, and requisite documentation, have been duly complied with. Therefore, we find it proper to admit this petition and declare the Personal Guarantor herein, as Bankrupt with the following directions: -

- (a) In the result, Personal Guarantor, **Bharat Bhusan Jain**, is hereby declared bankrupt.
- (b) We hereby appoint **Rajnikant Balubhai Kalsariya**, having Registration No. IBBI/IPA-001/IP-P-02988/2025-2026/14606, email Id: carajnikalsariya@gmail.com as Bankruptcy Trustee (BT).
- (c) The Registry is directed to provide the copy of this Bankruptcy order and copy of the Bankruptcy petition to the creditors and bankruptcy trustee within a week as provided under Section 126 (2) of IBC, 2016.
- (d) This order of Bankruptcy shall continue to have the effect till the debtor is discharged under section 138 of IBC, 2016.
- (e) The bankrupt shall submit his statement of financial position to the bankruptcy trustee in the prescribed Form within seven days from the date of the order.

- (f) The estate of the bankrupt excluding the assets mentioned in Section 155(2) of Code R/W Rule 5 of Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtor) Rules, 2019 vest with the bankruptcy trustee in pursuance of this order, the Bankruptcy trustee is directed to forthwith take into his custody all the assets, Properties, and actionable claims of the Bankrupt and take necessary steps to ensure preservation, protection security and maintenance of those properties as provided under section 128 and 154 of IBC, 2016.
- (g) The Bankruptcy Trustee is also directed forthwith to hire Reputed Assets Tracking Company/Private Detective Agency to trace the other assets of the Personal Guarantor which are not forming part of the assets disclosed by the Financial Creditor or Personal Guarantor and take control of other assets, if found/traced by the said Assets Tracking Company/Detective Agency.
- (h) The Bankruptcy trustee is directed to adhere to Section 128, 129 (4), 132, 133, 134, 136 and 137 of IBC, 2016 and discharge his powers and duties as specified and meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time.
- (i) The Bankruptcy Trustee for the Adjudicating Authority shall send notices as provided under section 130(a) of IBC, 2016 within ten days from the date of this order to the creditors mentioned in statement of affairs submitted by the Bankrupt under section 129 of IBC, 2016.
- (j) The Public Notice inviting claims from the creditors as contemplated under section 130 (2) of the Code shall be issued in one morning, English daily and in one morning vernacular regional language newspapers having wide circulation where the bankrupt resides.
- (k) On passing of the Bankruptcy order but subject to sub-section (2) of 128 of the Code, no creditor shall initiate or continue any action against the property of the bankrupt in respect of any debt except with the leave of the Adjudicating Authority as provided under Section 128 (ii) of the Code.
- (l) The Bankruptcy Trustee shall conduct the administration of distribution of estate of bankrupt under chapter V as provided in section 136 of the code.
- (m) The Bankrupt shall from the date of the order be subject to such disqualifications and restrictions as prescribed under section 140 and 141 of the code.
- (n) The restrictions on a bankrupt include that the bankrupt is not permitted to travel overseas without the permission of the Adjudicating Authority
- (o) The Bankruptcy Trustee may seek such further information or explanation in connection with bankruptcy process as may be required from the debtor or the creditor or any other person who in the opinion of the Bankruptcy Trustee, may provide such information. The persons from whom

information or explanation is sought shall furnish such information or explanation within seven days of receipt of the request.

- (p) The Bankruptcy Trustee shall exercise all the powers as enumerated under the Code read with Rules and Regulations made thereunder.
  - (q) The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a preliminary report within ninety days from this date of Bankruptcy order after serving copy of the report on bankrupt as provided in Regulation 8 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulations, 2019.
  - (r) The Bankruptcy Trustee shall submit to this Authority a periodical progress report within fifteen days after the end of every quarter after serving copy of the report on the bankrupt provided under Regulation 10 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulations, 2019.
  - (s) The fee of the Bankruptcy trustee to be determined as provided under Regulation 4 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulations, 2019.
  - (t) The Bankruptcy Trustee is expected to take full charge of the Personal Guarantor 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 Bankruptcy Trustee in this regard.
  - (u) The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
9. In terms of direction contained in **clause 8(m) & (n)** above, **Bharat Bhushan Jain** is not permitted to travel overseas, effective from the date of this order, without the permission of this Adjudicating Authority in terms of Section 141(1)(f) of the **Insolvency and Bankruptcy Code, 2016**.
10. Accordingly, **CP (IB)/197(AHM)/2026** filed under Section 121 of the IBC, 2016 is **admitted**, and the Bankruptcy Process stands initiated against the Respondent/Personal Guarantor herein.

Sd/-

**SANJEEV SHARMA**  
**MEMBER (TECHNICAL)**

Sd/-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**