THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

CORAM: MS. REETA KOHLI,
HON'BLE JUDICIAL MEMBER

MS. KAVITA BHATNAGAR
HON'BLE TECHNICAL MEMBER

IA (IBC) No. 251/JPR/2025
In CP No. (IB)- 23/94/JPR/2025

IN THE MATTER OF:

Devender Kumar Aggarwal

...Personal Guarantor/ Applicant

VERSUS

Canara Bank & Ors. (PG to CD Prayag Polytech Pvt. Ltd.)

... Respondent

AND IN THE MATTER OF:
IA (IBC) No. 251/JPR/2025

MEMO OF PARTIES

Shamsher Bahadur Singh,
48, Sidhartha Apartment,
Behind Inder Enclave,
Opp. Jwala Puri No. 5,
New Delhi-110087

...Applicant/ Resolution Professional

Versus

Devender Kumar Aggarwal
Personal Guarantor
Of Prayag Polytech Pvt. Ltd.
G-85, South City, Gurugram,
Haryana-122001
Email: devipravag@gmail.com

...Respondent/ Personal Guarantor

PRESENT: Sd/- Sd/-

For the RP	:	Akash Srivastava, Adv. S.B. Singh, RP in person
For the Respondent	:	Hitesh Sachar, Adv. (R-1) Anju Jain, Adv. Bhawna Prajapati, Adv.
For the PG	:	Mehak, Adv. For Shivangshu Naval, Adv.

Order Pronounced On: 06.05.2026

ORDER

1. The instant Interlocutory Application bearing *IA No. 251/JPR/2025* has been filed by *Mr. Shamsher Bahadur Singh* ('Resolution Professional'/ 'Applicant'/ 'RP') in the matter of Personal Insolvency of *Mr. Devender Kumar Aggarwal* ('Personal Guarantor'/ 'Debtor') being Personal Guarantor of *Prayag Polytech Pvt. Ltd.* ('Corporate Debtor'/ 'Principal Borrower') to put on record Report under Section 99(1) of the Insolvency and Bankruptcy Code, 2016 ('the Code') read with Rule 11 of the National Company Law Tribunal Rules, 2016 ('the NCLT Rules') in pursuance to the Order dated 20.05.2025 passed by this Adjudicating Authority.

2. The instant application arises out of the Petition under Section 94 of the Code read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Individuals and Firms) Rules, 2017 filed by the Personal Guarantor to initiate insolvency resolution process.

3. The brief facts of the case are as follows:-

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3.1 The Personal Guarantor herein extended personal guarantees by executing the following guarantee deeds:-

a. Guarantee deed dated 26.05.2014 for a sum of Rs. 170,54,52,000/- for a loan granted by *Canara Bank* to *Prayag Polytech Pvt. Ltd.*

b. Guarantee deed dated 21.10.2014 for a loan granted by *Andhra Bank* (now *Union Bank of India*) to the Corporate Debtor.

3.2 Despite efforts, the Principal Borrower failed to clear outstanding dues, causing *Union Bank of India* (erstwhile *Andhra Bank*) to issue a loan recall notice dated 01.08.2019 against it and its Personal Guarantors. Further, due the aforesaid default by the Principal Borrower, the loan accounts of the Principal Borrower were classified as NPA on 03.10.2019 by *Canara Bank.*

3.3 Subsequently, *Union Bank of India* (erstwhile *Andhra Bank*) filed an original application bearing *Original Application No.16/2020* before the Ld. DRT against the Principal Borrower and its directors and personal guarantors.

3.4 Thereafter, *Canara Bank* also filed Original Application bearing *Original Application No. 483/ 2022* before the Ld. DRT against the Principal Borrower and its directors and personal guarantors. *Canara Bank* further initiated legal proceedings under the SARFAESI Act, 2002, and issued statutory demand notice dated 10.02.2025 under Section 13(2) of the SARFAESI Act.

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3.5 In the view of failure to clear outstanding dues, the Personal Guarantor filed a Petition bearing *CP(IB) No. 23/JPR/2025* under Section 94 of the Code read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Individuals and Firms) Rules, 2017 To initiate insolvency resolution process.

3.6 The Personal Guarantor in its Section 94 Petition bearing *CP(IB) No. 23/94/JPR/2025* initially proposed the name of *Mr. Shamsher Bahadur Singh* i.e., the Applicant herein as the RP. However, this Adjudicating Authority appointed *Mr. Sushil Kumar Verma* as the Resolution Professional as the AFA of the Applicant was only valid until 30.06.2025. Subsequently, the Personal Guarantor filed an IA bearing *IA No. 219/JPR/2025* seeking modification of the earlier order, requesting replacement of *Mr. Sushil Kumar Verma* with the Applicant herein as the RP which was allowed *vide* Order dated 20.05.2025.

3.7 After receiving the aforementioned Order dated 20.05.2025 via email on 25.05.2025, the Applicant herein sent an email to the erstwhile RP, requesting him to handover all information and records available with him, including the credentials of the email account created in relation to the said matter.

3.8 On 26.05.2025, an email was sent to the Personal Guarantor i.e. *Mr. Devender Kumar Aggarwal,* intimating him about the order dated

20.05.2025 passed by this Adjudicating Authority appointing the Applicant herein as the RP. Further, on 27.05.2025, an email was sent to the Personal Guarantor to provide documents/information relevant in preparation of the present report under Section 99 of the IBC, 2016.

3.9 Further, the Applicant sent an intimation dated 28.05.2025 via email and courier to the Financial Creditors ('FCs') i.e., *Canara Bank,* and *Union Bank of India* intimating them regarding the appointment of the Applicant as the RP in the present matter vide order dated 20.05.2025. Further, the Applicant requested the FCs to provide the Proof of repayment of debt, if any, and to furnish other documents/information. The RP had sent various mail and the reminder thereto to the Financial Creditor on multiple email ids.

3.10 The applicant received the reply from the Personal Guarantor via email on 31.05.2025. The Personal Guarantor vide its email dated 31.05.2025 provided the Applicant herein that the list of Cases pending against the Principal Borrower i.e., *Prayag Polytech Pvt. Ltd.*, List of Loan Accounts of the Principal Borrower, and various other documents which can be relevant for the Applicant to prepare the present report under Section 99 of the Code.

3.11 Accordingly, the instant Application has been filed by the Resolution Professional seeking admission of the Application filed under Section 94 of the Code.

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4. It is relevant to mention that one of the creditors namely, *Union Bank of India*, has filed its reply to the report filed by the Resolution Professional supporting the recommendations apropos admission of the captioned Company Petition.

5. This Adjudicating Authority has perused the Petion filed by the Personal Guarantor and the Report filed by the Resolution Professional and all the documents enclosed therewith.

6. The account of Principal Borrower was marked as NPA on 03.10.2019 by the *Canara Bank* and proceedings against the Principal Borrower/ Corporate Debtor viz. *M/s. Prayag Polytech Pvt. Ltd.* was initiated by the Bank before the Ld. DRT.

7. *Canara Bank* had also issued a demand notice dated 10.02.2025 under Section 13(2) of the SARFAESI Act to the Principal Borrower as well as the Personal Guarantor. Proceedings were initiated against the Personal Guarantors in their capacity as guarantors to the credit facilities availed by the Principal Borrower. The Personal Guarantee was extended through various deeds of guarantee, one of which was executed on 26.05.2014, securing a sum of Rs. 170,54,62,000/- in respect of the loan sanctioned by *Canara Bank* to the Borrower, *Prayag Polytech Pvt. Ltd.*

8. *Andhra Bank* (now merged with *Union Bank of India*) issued the Loan Recall Notice dated 01.08.2019 to the Personal Guarantor for default of loan facility sanctioned to the Principal Borrower.

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9. Thus, it transpires that there are valid deeds of guarantee executed by the Debtor in favour of the Financial Creditor qua the debt facilities availed by the Corporate Debtor. Further, the guarantee has been validly invoked by the Financial Creditor as per the documents on record. Moreover, the amount involved is more than the threshold of Rs. 1.00 Cr.

10. The Applicant has filed the instant Application and submitted the report under Section 99 of the Code in pursuance to the order dated 20.05.2025 recommending the acceptance of the application filed by the Debtor.

11. The compliance of the relevant Sections of the Code is as follows: -

Sr. No	***Requirements under Relevant provisions of Section 99 of the Code***	***Compliance by RP***
I.	*Section 99(1):* The RP shall examine the application referred u/s 94 or 95 within 10 days of appointment and submit a report to Adjudicating Authority for approval/rejection of the application	Yes The RP examined the application submitted by the Personal Guarantor and prepared a comprehensive report.
II.	*Section 99(2):* Where the application has been filed under Section 95, the resolution professional may require the debtor to prove repayment of the debt claimed as unpaid by the creditor by furnishing: (a) evidence of electronic transfer of the unpaid amount from the bank account of the debtor; (b) evidence of encashment of a cheque issued by the debtor; or (c) signed acknowledgment by the creditor accepting receipt of dues.	Not Applicable

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Sr. No	***Requirements under Relevant provisions of Section 99 of the Code***	***Compliance by RP***
III.	*Section 99(3):* Where the debt for which an application has been filed by a creditor is registered with the information utility, the debtor shall not be entitled to dispute the validity of such debt.	Not Applicable
IV.	*Section 99(4):* For the purposes of examining an application, the resolution professional may seek such further information or explanation in connection with the application as may be required from the debtor or the creditor or any other person who, in the opinion of the resolution professional, may provide such information.	Yes The Personal Guarantor provided all the relevant information including the Petition filed under Section 94 of the Code which were enough for the Applicant to create its opinion in terms of Section 99(7) of the Code.
V.	*Section 99(5):* The person from whom information or explanation is sought under sub-section (4) shall furnish such information or explanation within seven days of receipt of the request.	Yes The Personal Guarantor provided all the relevant information as sought by the Applicant.
VI.	*Section 99(6):* The Resolution Professional shall examine the application and ascertain that - (a) the application satisfies the requirements set out in Section 94 or 95; (b) the applicant has provided information and given explanation sought by the resolution professional under sub-section (4).	Yes The RP confirmed that the Application bearing *CP (IB) No. 23/94/JPR/2025* has met the requirements of Section 94, as detailed in the report.
VII.	*Section 99(7):* After examination of the application under sub-section (6), he may recommend acceptance or rejection of the application in his report.	Yes The RP has examined the application extensively with all the relevant documents annexed therein and recommends acceptance of the Petition in his report.

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Sr. No	***Requirements under Relevant provisions of Section 99 of the Code***	***Compliance by RP***
VIII	*Section 99(8):* Where the resolution professional finds that the debtor is eligible for a fresh start under Chapter II, the resolution professional shall submit a report recommending that the application by the debtor under Section 94 be treated as an application under Section 81 by the Adjudicating Authority.	Not Applicable
IX.	*Section 99(9):* The Resolution Professional shall record the reasons for recommending the acceptance or rejection of the application in the report under sub-section (7).	Yes Detailed reasons for recommending the admission of the application have been set out in this report.
X.	*Section 99(10):* The Resolution Professional shall give a copy of the report under sub-section (7) to the debtor or the creditor, as the case may be.	Yes A copy of the report was served on both Personal Guarantor i.e., *Mr. Devender Kumar Aggarwal* & the Financial Creditors i.e., *Canara Bank* and *Union Bank of India* via email dated 04.06.2025.

12. Since, the parameters laid down under the provisions of law are satisfied, we are inclined to admit the Application filed by the Creditor concerning the initiation of the Individual Insolvency Resolution Process of the Personal Guarantor. The Creditor is directed to deposit Rs. 1,00,000/- (Rupees One Lakh Only) in the bank account of the Resolution Professional within one week of the passing of the order towards his fees and expenses which shall be subject to the rules and regulations prescribed under law.

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13. Resultantly, moratorium is declared as provided under Section 101 of IBC, which begins with the date of admission of the Application and shall cease to have effect at the end of the period of 180 days or on the date the Adjudicating Authority passes an order on the repayment plan under Section 114, whichever is earlier. During the moratorium period *inter alia* the following provisions shall be in effect;

    a. Any pending legal action or proceeding in respect of any debt shall be deemed to have been stayed; and

    b. The creditors of the debtor shall not initiate any legal action or proceedings in respect of any debt; and

    c. The debtor shall not transfer, alienate, encumber, or dispose of any of his assets or his legal rights or beneficial interest therein;

    d. The provisions of this Section shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

14. The Resolution Professional viz., *Mr. Shamsher Bahadur Singh*, who has been appointed under Section 97 of the Code *vide* Order dated 20.05.2025, is directed to cause a public notice to be published on behalf of the Adjudicating Authority within 7 days from the date of this Order, inviting claims from all Creditors, who shall register their claims as provided under Section 103 within 21 days of such issuance. The notice shall contain the necessary information as provided under Section 102(2) of the IBC. The

publication of the notice shall be made in two newspapers, one in English and other in Vernacular, which have wide circulation in the state where the Personal Guarantor resides. The Resolution Professional shall furnish two copies of the notice to the Registry. One shall be placed by the Registry on the website of this Adjudicating Authority and the other shall be affixed in the premises of this Authority.

15. The Resolution Professional in exercise of the powers conferred under Section 104 shall prepare a list of creditors within 30 days from the date of the notice. The Personal Guarantor shall prepare a Repayment Plan in consultation with the Resolution Professional as provided under Section 105 which shall include the provisions for payment of fee to the Resolution Professional. The Resolution Professional shall submit the Repayment Plan along with his report on the plan to this Authority within a period of 21 days from the last date of submission of claims as provided under Section 106.

16. In case the Resolution Professional recommends that a meeting of the creditors is not required to be summoned, he shall record the reasons thereof. If the Resolution Professional is of the opinion that the meeting of the Creditors should be summoned, the same shall be specified in detail as provided under Section 106(3). The meeting shall be held in accordance with Section 107 of the Code.

17. The meeting of the Creditors shall be conducted in accordance with Sections 108, 109, 110 and 111 of the Code. The Resolution Professional shall

prepare a report in accordance with Section 112 of the Code and submit the same to this Authority and its copies of which shall be provided to the Personal Guarantor and the Creditors. It is made clear that the Resolution Professional shall perform his functions and duties in compliance with the Code of Conduct provided under section 208 of the IBC, 2016.

18. In terms of the above, *CP No. (IB)- 23/94/JPR/2025* filed under Section 94 of the IBC is admitted and the Insolvency Resolution Process stands initiated against the Debtor/Personal Guarantor i.e. *Mr. Devendra Kumar Aggarwal*. Accordingly, *IA (IBC) No. 251/JPR/2025* is taken on record and stands disposed of.

Sd/-

REETA KOHLI,
JUDICIAL MEMBER

Sd/-

KAVITA BHATNAGAR,
TECHNICAL MEMBER