

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO.8289/2026

GAJJALA YOGANAND

Appellant(s)

VERSUS

M/S CATALYST TRUSTEESHIP LIMITED

Respondent(s)

O R D E R

1. This appeal impugns an order of the National Company Law Appellate Tribunal (NCLAT) dated 30.04.2016 whereby IA No.601/2025 in Company Appeal (AT) (CH) (Ins) No.217/2025 was rejected.

2. The appellant is a personal guarantor of credit facility availed by a corporate entity named Manjeera Retail Holdings Pvt. Ltd. (for short 'MRHPL'-CD). On failure of CD to repay its debt, personal insolvency resolution process under Section 95 of the Insolvency and Bankruptcy Code, 2016 (for short, 'IBC') was initiated against the appellant by M/s Catalyst Trusteeship Limited (the respondent) i.e., the assignee creditor. By Order dated 11.03.2025, the National Company Law Tribunal

(for short, 'NCLT') had admitted the insolvency resolution petition. Against the order of admission of the petition, Company Appeal (AT) (CH) (Ins) No.217 of 2025 was filed before NCLAT.

3. In that appeal, the appellant moved an application for stay, which came to be rejected by the impugned order.
4. According to Mr. Neeraj Kishan Kaul, the learned senior counsel appearing for the appellant, the stay application was heard on 25.04.2025 and orders were reserved. The impugned order rejecting the stay application was passed on 30.04.2026. It is submitted that while passing the impugned order, NCLAT had failed to consider multiple key submissions; such as, for the very same loan of which the appellant was a personal guarantor, one Manjeera Construction Ltd. (for short, 'MCL') was a corporate guarantor; petition(s) under Section 7 of IBC were filed both against MRHPL and MCL. On the Section 7 petition against MRHPL, a resolution plan was approved making a provision for the claim set out by the creditors including the respondent who

were paid thereunder; in consequence, the respondent did not press its claim against MCL i.e., the corporate guarantor. It is contended that those developments indicated that there was no justification to proceed in the personal insolvency resolution process initiated against the appellant by the respondent. The grievance of the appellant is that all these aspects were not considered by NCLAT while rejecting the stay application.

5. Shri Krishnendu Datta, learned senior counsel who appears for the respondent, submits that it is incorrect to state that the respondent is paid off completely; the dues payable to the respondent are in excess of 60 crores as on date and as there was no stay on the admission of the petition under Section 95, in the meantime, resolution professional has been appointed who has invited claims, and claims in excess of 300 crores have already been submitted. In such circumstances, it is not a fit case where this Court should interfere with the order rejecting the stay application.
6. We have accorded due consideration to the rival

submissions. What surprises us is the lack of discussion in the impugned order regarding the subsequent developments which have been placed before us. Perhaps the long period for which the order was reserved, as stated, might be the reason for those aspects escaping consideration in the impugned order. Be that as it may, we do not wish to elaborate on that. However, since we notice that there is no consideration of all the above aspects while rejecting the interim application, we deem it appropriate to set aside the order of NCLAT and restore the interim application (I.A. No.601 of 2025) on the file of the pending appeal for a fresh consideration by NCLAT in accordance with law, preferably, within one month from the date a copy of this order is placed before NCLAT.

7. The appeal is allowed in the above terms. The impugned order dated 30.04.2026 passed on I.A. No.601 of 2025 is set aside. I.A. No. 601 of 2025 shall stand restored on the file of Company Appeal (AT) (CH) (Ins) No.217 of 2025 for being considered and decided afresh before consideration of the main appeal provided appeal is not decided already.

8. Pending application(s), if any, shall stand disposed of.

.....J.
[MANOJ MISRA]

.....J.
[VIJAY BISHNOI]

NEW DELHI
JULY 30, 2026
ITEM NO.19

COURT NO.11

SECTION XVII-B

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

CIVIL APPEAL NO(S). 8289/2026

GAJJALA YOGANAND

Appellant(s)

VERSUS

M/S CATALYST TRUSTEESHIP LIMITED

Respondent(s)

FOR ADMISSION
IA No. 172363/2026 - STAY APPLICATION

Date : 30-07-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE MANOJ MISRA
HON'BLE MR. JUSTICE VIJAY BISHNOI

For Appellant(s) : Mr. Neeraj Kishan Kaul, Sr. Adv.
Mr. Arjun Krishnan, Adv.
Mr. Deepak Joshi, AOR
Mr. Vivekananda Bommineni, Adv.
Mr. Rudra Pratap, Adv.
Mr. Raghav Agrawal, Adv.
Ms. Dhanya S Krishnan, Adv.
Mr. Rudransh Bajpai, Adv.
Ms. Aishwarya Tandon, Adv.

For Respondent(s) :Mr. Krishnendu Datta, Sr. Adv.
Mr. Palash Taing, Adv.
Mr. Surjendu Sankar Das, AOR
Mr. Mayank Kumar, Adv.
Mr. Shobhna Vijay, Adv.
Mr. Jai Singh Rawat, Adv.

UPON hearing the counsel the Court made the following
O R D E R

1. The appeal is allowed in terms of the signed order which is placed on the file.
2. Pending application(s), if any, shall stand disposed of.

(KAVITA PAHUJA)
ASTT. REGISTRAR-cum-PS

(SAPNA BANSAL)
COURT MASTER (NSH)