

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.211
C.P.(IB)/389(AHM)2025

Proceedings under Section 121,123 of IBC,2016

IN THE MATTER OF:

Central Bank of India Limited

.....Applicant

V/s

Mr.Arvinbhai Kacharabhai Patel PG to MAP Refoils India Limited

.....Respondent

Order delivered on: 15/05/2026

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)

Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

PRESENT:

For the Applicant : Mr. Priyam Shah, Adv.

: Mr. Jaimin Dave, Adv.

: Mr. Monaal Dawavala, Adv.

For the Respondent : Ms. Natasha Shah, Adv.

Party in person : Mr. Mehul Patel

Liquidator for Map Refoil : Mr. Vikas Jain

ORDER

1. Heard the Ld Counsel for the applicant and respondent and the RP. Reply filed. Arguments completed. The Ld Counsel for respondent and applicant are permitted to file written submissions if any by 4.00 PM today.
2. The Petitioner/Financial Creditor has filed this Petition under Section 121 and 123 of the Insolvency and Bankruptcy Code, 2016 (for short "Code") read with Rule 7(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy

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Process for Personal Guarantors to Corporate Debtors) Rules, 2019 seeking initiation of Bankruptcy Process against Mr. Arvindbhai Kacharabhai Patel - Personal Guarantor of Corporate Debtor M/s. MAP Refoils India Limited. The respondent has given a deed of guarantee dated 16.04.2019 and 20.06.2020 for securing the credit facilities availed by the Corporate Debtor.

3. Part-III of the application reveals that the total debt (including any interest or penalties) as on 31.08.2025 is Rs. 57,66,30,778/- The amount in default was Rs. 30,26,71,982/- and the principal amount of outstanding debt fell due on and from 28.05.2021. The default occurred on 28.08.2021, being the date of declaring the loan account of the Corporate Debtor as Non-Performing Asset. Perusal of Part-IV reveals that Mr. Mr. Jigar Tarunkumar Bhatt insolvency professional has been proposed as the Bankruptcy Trustee by Central Bank of India.
4. The Financial Creditor sanctioned credit facilities aggregating to INR 35 Crores in favour of the Corporate Debtor on 09.04.2019, pursuant to which the Corporate Debtor and the Guarantors, including the Respondent, executed various loan, security and personal guarantee documents between 16.04.2019 and 20.06.2020 for securing repayment of the said facilities, including additional facilities of INR 1 Crore sanctioned on 15.06.2020. Due

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to persistent defaults committed by the Corporate Debtor, its account was classified as Non-Performing Asset (NPA) on 28.08.2021, following which statutory notice under Section 13(2) of the SARFAESI Act was issued on 31.03.2022 and Original Application No. 325 of 2022 was filed before the Hon'ble DRT-I, Ahmedabad on 05.04.2022. Meanwhile, vide order dated 04.04.2022 passed in CP (IB) 240/AHM/2021, CIRP was initiated against the Corporate Debtor and subsequently liquidation proceedings were initiated vide order dated 25.01.2024. Thereafter, the Record of Default was registered with the Information Utility on 22.05.2023, which was authenticated on 12.06.2023 and Demand Notice under Rule 7(1) of the Insolvency and Bankruptcy Rules, 2019 was issued to the Respondent on 26.12.2023. Subsequently, on 06.03.2024, the Petitioner filed C.P.(IB)/121(AHM)2024 seeking initiation of personal insolvency resolution process against the Personal Guarantor, which came to be admitted vide order dated 17.05.2024. Thereafter, claims of six creditors aggregating to INR 373.58 Crores came to be admitted by the Resolution Professional on 20.06.2024. Although the Personal Guarantor submitted a combined repayment plan along with 2 other guarantors on 03.09.2024 offering INR 60 Crores as full and final settlement, the same came to be rejected by the

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creditors, pursuant to which IA/1632(AHM)2024 under Sections 112 to 114 of the Insolvency and Bankruptcy Code was filed on 12.10.2024. Thereafter, vide order dated 09.06.2025, this Tribunal directed the Financial Creditor to take an appropriate decision and consequently, in the Joint Lenders' Meeting held on 28.08.2025, the creditors resolved to initiate bankruptcy proceedings against the Personal Guarantor. The applicant has filed this application as approved by the COC. The respondent has filed a written submission today which is perused and taken on record. It is submitted that appeal is filed but no copy filed by respondent.

5. Therefore, considering the facts involved in this case, we heard both the parties, we find it proper to admit this petition as COC has considered the repayment plan and rejected it and authorised the RP to file this application. Hence we declare the Personal Guarantor herein, as Bankrupt with the following directions:-

ORDER

- I. In the result, Mr. Arvindbhai Kacharabhai Patel, is hereby ordered to be bankrupt.
- II. Hence, we appoint Mr. Kinjalkumar Madhubhai Chaudhary, an Insolvency Professional, having Reg. No. IBBI/IPA-001/IP-P-02196/2020-2021/13463, Address: 9-B, Vardan Complex, ,Nr. Vimal House, Lakhudi Circle, Navrangpura,

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Ahmadabad ,Gujarat ,380014, (E-mail ID: cakmchaudhary@yahoo.com, as Bankruptcy Trustee.

- III. The Registry is directed to provide a copy of this Bankruptcy order and a copy of the Bankruptcy petition to the creditors and bankruptcy trustee within a week as provided under Section 126 (2) of IBC, 2016.
- IV. This order of Bankruptcy shall continue to have the effect till the debtor is discharged under section 138 of IBC, 2016.
- V. 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.
- VI. 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.
- VII. 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

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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.

- VIII. 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.
- IX. 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.
- X. 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.
- XI. On passing of the Bankruptcy order but subject to sub-section (2) of 128 of the Code, shall not initiate any action against the property of the bankrupt in respect of debt and no suit or other legal proceeding shall be initiated against the bankrupt, save and except with the leave of the Adjudicating Authority as provided in section 128 (ii) of the Code.

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- XII. The Bankrupt Trustee shall conduct the administration of the distribution of the estate of the bankrupt under Chapter V as provided in section 136 of the code.
- XIII. 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.
- XIV. The restrictions on a bankrupt include that the bankrupt is not permitted to travel overseas without the permission of the Adjudicating Authority.
- XV. 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.
- XVI. The Bankruptcy Trustee shall exercise all the powers as enumerated under the Code read with Rules and Regulations made thereunder.
- XVII. The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a preliminary report within in ninety days from the date of the Bankruptcy order after serving copy of the report on the bankrupt as provided in Regulation 8 of Insolvency and Bankruptcy Board of India

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(Bankruptcy Process for personal Guarantors to corporate debtors) Regulation, 2019.

- XVIII. The Bankruptcy Trustee shall submit to this Authority 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) Regulation, 2019.
- XIX. The fee of 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) Regulation, 2019.
- XX. The Bankruptcy Trustee is expected to take full charge of the Personal Guarantor's assets and documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court thereby directs the Police Authorities to render all assistance as may be required by the Bankruptcy Trustee in this regard.
- XXI. The Registry is directed to send e-mail copies of the order forthwith to all the parties, including Bankruptcy Trustee and their Ld. Counsels for information and for taking necessary steps.

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6. The interim moratorium commenced under section 124(1)(a) of the IBC, 2016, shall cease to have effect from the date of this order.
7. The applicant- financial creditor is directed to deposit Rs.2,00,000/- to the bank account of Bankruptcy Trustee within 3 days, from the date of this order towards his fees. This shall be subjected to the Rules and Regulations under the provisions of IBC, 2016.
8. In terms of clause XIV of paragraph 7 of this order, it is directed that Arvinbhai Kacharabhai Patel is not permitted to travel abroad, effective from the date of this order, without the permission of this Tribunal.
9. Accordingly, CP (IB)/389(AHM)/2025 filed under Section 123 of the IBC, 2016 read with Rule 7(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy process for Personal Guarantors to Corporate Debtors) Rules, 2019 is admitted, and the Bankruptcy Process stands initiated against the Respondent/Personal Guarantor.

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

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CHITRA HANKARE
MEMBER (JUDICIAL)