

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH – 1  
VC AND PHYSICAL (HYBRID) MODE  
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON  
18-06-2026 AT 12:45 PM**

**CP(IB) No. 178/95/HDB/2024  
AND  
IA (IBC) 406/2026 in CP(IB) No. 178/95/HDB/2024  
u/s. 95 of IBC, 2016**

**IN THE MATTER OF:**

SBI

...Petitioner

**AND**

Mr. Subash Chandra Agarwal &  
M/s Nikhil Refineries Pvt Ltd.,

...Respondent

**C O R A M:-**

SH. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)  
SH. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

**O R D E R**

**IA (IBC) 406/2026**

**Present:** Mrs. Sarvani Desiraju, Ld. Counsel for the Applicant.

**Orders pronounced, recorded vide separate sheets.**

**In the result, this application is allowed and disposed of.**

**Sd/-  
MEMBER (T)**

**Sd/-  
MEMBER (J)**

**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH-I**

**IA(IBC) No.406 of 2026 in  
CP(IB) No.178/95/HDB/2024**

*[Under Section 121 read with Section 123 of Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy process for Personal Guarantors to Corporate Debtors) Rules, 2019]*

**Between:**

**State Bank of India**

A banking institution established under the State Bank of India Act, 1955 having its Corporate Office at State Bank Bhavan, Madam Cama Road, Nariman Point Mumbai Maharashtra – 400021 and branches across India and abroad, One branch, inter alia, at D No.3-4-1013/A, 1<sup>st</sup> Floor, Commuter Amenity Center (CAC), TSRTC Bus Station, Kachiguda, Hyderabad – 500027 called as SAMB II, Represented by Mr. Pirati Lakshmi Narayana.

**.... Applicant/Financial Creditor**

*A n d*

Mr. Subash Chandra Agarwal,  
1-2-412/12, Gagan Mahal Colony,  
Hyderabad-500029.

**... Personal Guarantor/Respondent No.1**

M/s. Nikhil Refineries Private Limited  
1-8-663, Azamabad,  
Industrial Area, Azamabad,  
Hyderabad, Telangana – 500020.

**... Corporate Debtor/Respondent No.2**

**DATE OF ORDER: 18.06.2026**

**Coram:**

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)  
Sri Sanjay Puri, Hon'ble Member (Technical)

**Counsel/Parties present:**

For the Applicant : Mrs. Sarvani Desiraju, Mr. Shreyan Reddy  
Ld. Counsels.  
For the Respondent : Ex-parte.

## ORDER

The State Bank of India (“**FC/Financial Creditor/Applicant**”) has filed this Application under Form B-Section 121 read with Section 123 of the Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantor/s to Corporate Debtor/s) Rules, 2019 to initiate Bankruptcy Process against the **Personal Guarantor**, Mr. Subash Chandra Agarwal of M/s Nikhil Refineries Private Limited (“**Corporate Debtor/CD**”).

### APPLICATION

1. The Corporate Debtor, M/s. Nikhil Refineries Private Limited has approached the Applicant/Financial Creditor and sought for fund-based and non-fund-based credit facilities to the tune of Rs.77 Crores, which were sanctioned by the Applicant vide sanction letter dated 23.04.2010. At the request of the Corporate Debtor the Financial Creditor enhanced from Rs.77 Crores to Rs.100.80 Crores vide sanction letter dated 28.03.2011.
2. The Corporate Debtor (**CD**) in order to avail the financial assistance has executed various loan documents and the Personal Guarantor in order to secure the repayment of the financial assistance availed by the Corporate Debtor (**CD**) has executed Deed of Guarantee dated 21.04.2011 in favour of the Financial Creditor. The total amount claimed to be in default is Rs.143,18,04,433/- calculated until 31.01.2026.
3. It is submitted that subsequent to availing the financial assistance, the Corporate Debtor has committed default due to which the account of the Corporate Debtor has been declared as NPA.

4. As neither the Corporate Debtor nor the Personal Guarantor paid the outstanding amounts, the Financial Creditor initiated proceedings against the Personal Guarantor and the Corporate Debtor by filing OA No.1378 of 2017 before the Hon'ble Debt Recovery Tribunal, Hyderabad. Accordingly, the Hon'ble Debt Recovery Tribunal, Hyderabad vide Recovery Certificate i.e., RC.No.43/2023 in OA/1378/2017 dated 09.02.2023 has made the Corporate Debtor along with the Personal Guarantor herein jointly and severally liable to pay the Financial Creditor.
5. It is stated that the total amount payable to the Financial Creditor herein is Rs.143,18,04,433/- (Rupees One Hundred and Forty Three Crores Eighteen Lakhs Four Thousand Four Hundred Thirty Three Only) including principal amount of Rs.52,90,87,234.3/- (Rupees Fifty Two Crores Ninety Lakhs Eighty Seven Thousand Two Hundred Thirty Four and Three Paise Only) along with interest of Rs.90,27,17,198.7/- (Rupees Ninety Crores Twenty Seven Lakhs Seventeen Thousand One Hundred Ninety Eight and Seven Paise Only) calculated until 31.01.2026.
6. It is submitted that the Applicant approached this Tribunal and filed CP(IB) No.178/95/HDB/2024 under Section 95 of the Insolvency and Bankruptcy Code, 2016 praying to admit the Respondent No.1 into the insolvency proceedings. This Tribunal vide order dated 04.03.2025 in CP(IB) No. 178/95/HDB/2024, admitted the Respondent No.1 into Insolvency Proceedings. As the Personal Guarantor has failed to submit the Repayment plan, the Resolution Professional vide Application IA(IBC) No. 1457/2025 filed his report and sought for closure of insolvency proceedings and

permission for initiation of bankruptcy proceedings by the Financial Creditors of Respondent No.1. Accordingly, this Tribunal vide order dated 10.12.2025, has taken on record the report filed by the Resolution Professional and has allowed the IA (IBC) No. 1457 of 2024.

7. It is submitted that this Tribunal vide its order dated 10.12.2025 has given liberty to the Financial Creditor to file the application for Bankruptcy of the Personal Guarantor. In pursuance thereof, the present Application has been filed seeking initiation of bankruptcy proceedings under Section 121 read with Section 123 of IBC against the Personal Guarantor of M/s.Nikhil Refineries Private Limited. The present application has been filed in pursuance thereof.

### **FINDINGS**

8. We have heard the Ld. Counsel for the Applicant. There was no appearance on behalf of the Respondent/PG despite service of notice and who was set ex-parte.
9. Admittedly, the repayment plan has not been submitted by the Personal Guarantor and since there is no resolution plan for resolving the insolvency, we accept the prayer of the Applicant and admit this Application to declare the Personal Guarantor as **Bankrupt**.
10. In the result, Mr. Subash Chandra Agarwal, 1-2-412/12, Gagan Mahal Colony, Hyderabad-500029. **Personal Guarantor** is hereby ordered to be **BANKRUPT**.
  - a) **Mr.Murali Mohan Chevuturi**, IP as the **Bankrupt Trustee** having IBBI Regn. No IBBI/IPA-003/IP-N00307/2020-2021/13464, address

at Flat No.201, Dream Home Vasista, Plot No.9, Barabagh Colony, Lower Tankbund Road, Hyderabad – 500029, email: mohan.chevuturi@gmail.com, Mobile No.8978844588 be appointed as **Bankruptcy Trustee (his AFA valid up to 30.06.2026)**. Hence, we hereby appoint **Mr. Murali Mohan Chevuturi** as **Bankruptcy Trustee** under Section 125 of the Code.

- b) The Registry is directed to provide the copy of this Bankruptcy Order and a copy of the Bankruptcy Application to the creditors and Bankruptcy Trustee within a week as provided under Section 126 (2) of IBC, 2016.
- c) This order of Bankruptcy shall continue to have the effect till the debtor is discharged under section 138 of IBC, 2016.
- d) 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.
- e) 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 shall 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.

- f) 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.
- g) 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 the statement of affairs submitted by the Bankrupt under section 129 of IBC, 2016.
- h) The Public Notice inviting claims from the creditors as contemplated under section 130 (2) of the Code shall be issued in one English daily newspaper and in one vernacular regional language newspapers having wide circulation where the bankrupt resides.
- i) 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.
- j) The Bankrupt Trustee shall conduct the administration of distribution of estate of bankrupt under Chapter V as provided in section 136 of the code.
- k) 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.

- l) 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.
- m) The Bankruptcy Trustee shall exercise all the powers as enumerated under the Code read with Rules and Regulations made thereunder.
- n) The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a preliminary report within ninety days from the 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) Regulation, 2019.
- o) 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 the Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulations, 2019.
- p) The fee of Bankruptcy Trustee to be determined as provided under Regulation 4 of the Insolvency and Bankruptcy Board of India

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

- q) The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Learned Counsel for information and for taking necessary steps.
- r) A certified copy of the order is to be issued upon compliance with requisite formalities.

**Sd/-**  
**SANJAY PURI**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**RAJEEV BHARDWAJ**  
**MEMBER (JUDICIAL)**

*Siva*