NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH, COURT – II
CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, HELD ON 15.09.2025 AT 02.15 P.M. THROUGH VIDEO CONFERENCING:

CORAM: SHRI. RAVICHANDRAN RAMASAMY, HON'BLE MEMBER (TECHNICAL)

APPLICATION NUMBER	**: IA(IBC)/770(CHE)2024**
PETITION NUMBER	**: CP(IB)/131(CHE)2023**
NAME OF THE APPLICANT	**: Madhu Desikan (IRP) (M P Mohansundar)**
NAME OF THE RESPONDENT(S)	**: --**
UNDER SECTION	**: Sec 99 of IBC, 2016**

Order pronounced under Rule 151 of NCLT Rules, 2016.

ORDER

Present: Ld. A.S.Sathish Kumar for the Applicant.

Vide separate order pronounced in Open Court.

RP Report taken on record. Petition Admitted.

Sd/
RAVICHANDRAN RAMASAMY
Member (Technical)

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IN THE NATIONAL COMPANY LAW TRIBUNAL,
SPECIAL BENCH – II, CHENNAI
CP (IB) 131/ (CHE)/ 2023
&
IA (IBC) 770/ (CHE)/ 2024 In CP (IB) 131/ (CHE)/ 2023

(Under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 r/w Rule 6(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019)

In the matter of

M P MOHANSUNDAR,
9/6, Thillai Nagar, Near IOB,
Erode, Tamil Nadu – 638 001.

… Applicant/ Personal Guarantor

Order pronounced on 15.09.2025

CORAM

SHRI. SANJIV JAIN, MEMBER (J)

SHRI. RAVICHANDRAN RAMASAMY, MEMBER (T)

Present;

For Personal Guarantor: Mr. A. S. Sathish Kumar, PCS

For Respondent No.1: Mr. M. L. Ganesh, Advocate

For Respondent No. 2: Mr. U. Vinay Metha, Ms. A. K. Pavithra and Ms. Shiksha, Advocates

For Tamilnad Mercantile Bank Limited: Mr. A.G. Sathyanarayana, Advocate

For Resolution Professional: Mr. Madhu Desikan (Party in person)

ORDER

(Hearing through hybrid mode)

This application has been filed under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 ('Code'/ 'IBC') read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for

Insolvency Resolution Process for Personal Guarantors to Corporate Debtor) Rules, 2019 ('Rules') by the Applicant/ Personal Guarantor "**M P Mohansundar**", to initiate the Insolvency Resolution Process in respect of "M P Mohansundar", being the Personal Guarantor for **KMP Spinners Private Limited** ('Corporate Debtor").

SUBMISSIONS OF THE APPLICANT

2. The Applicant has given the particulars of debt in Part-III of the application, including interest for Indian Overseas Bank as Rs.24,31,81,344/- (Rupees Twenty Four Crores Thirty One Lakhs Eighty One Thousand Three Hundred and Forty Four only), amount of default as Rs.24,31,81,344/- (Rupees Twenty Four Crores Thirty One Lakhs Eighty One Thousand Three Hundred and Forty Four only) and the date of default as 30.06.2019. Particulars of Debt for Aditya Birla Finance Limited as Rs.6,94,34,457/- (Rupees six crores ninety four lakhs thirty four thousand four hundred and fifty seven only), amount of default as Rs.6,94,34,457/- (Rupees six crores ninety four lakhs thirty four thousand four hundred and fifty seven only) and the date of default as 28.08.2019.

3. As per the averments made in the application, KMP Spinners Private Limited had taken credit facilities from Indian Overseas Bank, Erode Main Branch, Erode-638 003 and Aditya Birla Finance Limited, T.Nagar, Chennai-600 017. The Applicant herein had given personal guarantee to the said loan. In this matter, the Corporate Debtor for whom the Applicant has given Personal Guarantee failed to repay the debt and in pursuance of which the present application has been filed.

4. It is submitted that the financial creditors have already initiated proceedings against the principal borrower and the guarantor under the provisions of the SARFAESI Act, 2002. In this regard, reliance is placed on the sale notice dated 11.05.2023 issued by Indian Overseas Bank and the demand notice dated 04.09.2019 issued by Aditya Birla Capital Limited, both under Section 13(2) of the SARFAESI Act, demonstrating that recovery proceedings are underway.

5. It is submitted that the applicant has disclosed the statement of affairs as on 20.05.2023, which details his financial position, including lists of immovable and movable assets owned by himself and his immediate family. However, he states that certain documents, namely the personal guarantee contract, banker's book entries, financial contract reflecting all amendments, and relevant ownership/title documents, are not available with him and hence could not be produced. Notwithstanding this, he has provided the particulars of the secured debts, including details of the security interests created, the dates of their creation, and their estimated value as assessed by the creditors.

6. It is submitted that his income during the last three assessment years has been below the exemption limit prescribed under the Income Tax Act, 1961, and therefore he has not filed income tax returns. He has furnished an affidavit to this effect along with the application. The applicant avers that he has no adequate means to meet the liabilities owed to the financial creditors, and his current financial condition warrants initiation of the insolvency resolution process.

7. It is submitted that in view of his present financial status and absence of sufficient income, he is unable to discharge the outstanding liabilities owed to the creditors.

SUBMISSIONS OF THE RESPONDENT No.1

8. The Respondent No.1 – Indian Overseas Bank submits that the petition filed under Section 94 of the Insolvency and Bankruptcy Code, 2016 is not maintainable, as the same has been instituted by the applicant/guarantor with the sole intention of thwarting the secured creditor from confirming the sale of the secured assets and from taking physical possession thereof under the measures initiated in terms of the SARFAESI Act, 2002. The bank contends that the applicant is not genuinely seeking insolvency resolution but is only attempting to stall recovery proceedings which are already lawfully in progress.

9. It is further submitted that the loan account of the corporate debtor was classified as a Non-Performing Asset (NPA) on 29.06.2019 as per RBI guidelines. If the applicant had been genuinely under financial distress, he could have approached this Hon'ble Tribunal either immediately upon classification of the account as NPA, or at least upon issuance of the demand or possession notices. Instead, the present application has been filed after considerable delay, thereby reflecting mala fide intent.

10. It is submitted that the bank has taken various steps under the SARFAESI Act, including the issuance of a demand notice on 23.07.2019, which was duly acknowledged by the applicant on 24.07.2019. Possession notice was issued and affixed on 27.12.2019, which was also published on

01.01.2020. The applicant was thus fully conscious of the fact that symbolic possession of the secured assets was already taken in December 2019, yet he chose not to file the instant application.

11. The bank states that it has issued 12 e-auction sale notices, the latest being on 27.03.2023, and out of seven secured properties, three have been successfully sold, the details of which have been provided in the counter, including reserve prices, fair market values, and bid outcomes. Although certain auctions did not succeed, the bank continues to pursue realization of its security through lawful means.

12. It is further submitted that apart from the liabilities of the corporate debtor, the associate concern Rakshitha Textiles had also availed credit facilities, and in addition, four loan-against-property (LAP) facilities were availed in the names of directors/guarantors, including the applicant and his immediate family members. The total outstanding in these accounts amounts to Rs.5.84 crores as on the respective dates, with further interest at contractual rates payable until realization. The details of these facilities and the corresponding liability of the guarantors have been set out in the counter.

13. It is also submitted that the Interim Resolution Professional (IRP) has recommended allowing the present Section 94 application by considering only the liability of the corporate debtor company, without taking into account the substantial personal liabilities of the applicant and other guarantors under the above-mentioned LAP accounts. This, according to the respondent, renders the recommendation incomplete and untenable.

SUBMISSIONS OF THE RESPONDENT No.2

14. The Respondent No.2 - Aditya Birla Capital Limited, submits that the application filed by the applicant under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 is not maintainable as the same suffers from suppression of material facts and is an attempt to misuse the provisions of the Code.

15. The respondent contends that the applicant has failed to produce essential documents such as the personal guarantee contract, loan documents, and entries in the banker's book, which are indispensable to prove the nature, extent, and enforceability of the liability.

16. It is further submitted that the applicant had stood as a personal guarantor to the loans availed by the corporate debtor, who has committed default in repayment of its loan obligations. In view of the said default, the respondent had issued a demand notice dated 04.09.2019 under Section 13(2) of the SARFAESI Act, 2002, calling upon the corporate debtor and the guarantor to make payment of the outstanding dues. However, despite such demand, neither the corporate debtor nor the applicant discharged the liability, thereby compelled the respondent to initiate recovery proceedings under SARFAESI.

17. It is submitted that several steps have already been taken for enforcement of security interest under the SARFAESI Act, including attachment and sale of secured assets, and that the present application has been filed by the applicant only to stall and frustrate the lawful recovery proceedings. It is further contended that the applicant has not approached this Tribunal with bona fide intention. The reliance placed on the plea that

his income was below the taxable limit for the past three years is nothing but an afterthought to escape from his obligations as a guarantor and does not absolve him from liability under the contract of guarantee.

18. It is also submitted that the applicant has deliberately withheld crucial documents such as the guarantee deed, loan agreements, and ownership/title documents of the assets, which indicates mala fide conduct and lack of transparency. Therefore, the application is nothing more than an abuse of the process of law and cannot be entertained.

<u>APPOINTMENT OF RESOLUTION PROFESSIONAL</u>

19. This Tribunal vide order dated 23.02.2024 in CP(IB)/131(CHE)/2023, pursuant to the application filed under Section 94 of the Insolvency and Bankruptcy Code, 2016, seeking to initiate the insolvency resolution process against the personal guarantor appointed **Mr. Madhu Desikan**, with Reg. No: IBBI/IPA-001/IP-P-00579/2017-2018/11021, as the Insolvency Resolution Professional (IRP), to examine the company application and submit a report under section 99 of the Code.

<u>REPORT OF THE RESOLUTION PROFESSIONAL</u>

20. Upon receipt of the appointment, the RP examined the application in accordance with the provisions of the Code and verified its compliance with all statutory requirements under Section 94.

21. It is submitted by the RP that as per the records verified, the outstanding dues as on 30.06.2019 in favour of Indian Overseas Bank stood at Rs.24,31,81,344, and as on 28.08.2019 in favour of Aditya Birla Capital

Limited stood at Rs.6,94,34,457, both of which were classified as Non-Performing Assets (NPA) in 2019. The guarantees executed by the applicant were duly invoked, and demand notices were issued by the creditors under Section 13(2) of the SARFAESI Act, 2002, followed by a sale notice dated 11.05.2023 by Indian Overseas Bank for enforcement of security.

22. The RP further reports that while examining the application and supporting documents, it came to light that the applicant has not disclosed certain other personal borrowings. In particular, a loan of Rs.1,11,25,240.43 as of 29th August 2020, availed by the applicant from Standard Chartered Bank in his individual capacity on 15.04.2019 to the extent of Rs. 1,10,50,000, which was recalled on 10.02.2020 and followed by symbolic possession of the mortgaged property on 25.08.2020, being not reflected in the Form A filed before this Tribunal. Similar omissions were also noted in respect of borrowings from Tamil Nadu Mercantile Bank. However, the IRP clarifies that these borrowings were made by the applicant in his personal capacity and not as a guarantor for the corporate debtor.

23. Upon perusal of the records, the RP has confirmed that the applicant has otherwise furnished the relevant information and documents, including demand notices issued by the creditors and MCA records of the corporate debtor, and nothing has been found to suggest that the disclosures made with regard to the guarantor obligations towards Indian Overseas Bank and Aditya Birla Capital Limited were false or misleading.

24. It is submitted that the application meets all the requirements under Section 94 of the Code. The debt in question is not an excluded debt under

Section 79(15), and the personal guarantor is not an undischarged bankrupt, nor undergoing any other resolution or bankruptcy process. No prior admitted application under Section 94 exists within the previous twelve months.

25. In view of the above facts and legal compliance, the RP concluded that the application meets the criteria stipulated under Section 94 of the IBC. Accordingly, he recommended that the application filed by M P Mohansundar be admitted and that the insolvency resolution process be initiated against him in respect of the personal guarantee extended for the corporate debtor, KMP Spinners Private Limited. The IRP has prayed that the Tribunal may take on record his report under Section 99 of the Code and pass such further or other orders as it may deem fit and just in the interest of justice.

26. Observations in the report filed under Section 99 of the code are as follows:

***i. Details of debt*:**

Sl. No.	Particulars	
1	Outstanding Claim	Principal with Interest for Indian Overseas Bank as Rs.24,31,81,344/- (Rupees Twenty Four Crores Thirty One Lakhs Eighty One Thousand Three Hundred and Forty Four only) and the date of default as 30.06.2019 and for Aditya Birla Finance Limited as Rs.6,94,34,457/- (Rupees six crores ninety four lakhs thirty four thousand four hundred and fifty seven only) with the date of default as 28.08.2019.

2	Documents establishing PG's Liability	1. Demand Notice dated 23/07/2019, u/s 13(2) of SARFAESI Act, 2002 was sent to Guarantor by Indian Overseas Bank. 2. Demand Notice dated 4/9/2019 by Aditya Birla Capital Ltd. 3. Sale Notice issued by Indian Overseas Bank on 11/5/2023 u/s 13(2) of SARFAESI Act, 2002.

ii. Compliance under Section 94 of IBC

Sec No.	Details of the Sections	Compliance
94 (1)	A debtor who commits default may apply either by personally or through a resolution professional to the Adjudicating Authority for initiating an insolvency resolution process under this section by submitting an application.	Corporate Debtor – KMP Spinners P Ltd had committed a default and their loan was categorized as NPA on 30-06-2019 and the loans to Corporate Debtor was guarantee by PG. Hence it is in order.
94(2)	Where the debtor is a partner of a firm, such debtor shall not apply under this Chapter to the Adjudicating Authority in respect of the firm unless all or a majority of the partners of the firm file the application jointly.	Not applicable
94 (3)	An application under sub-section (1) shall be submitted only in respect of debts which are not excluded debts.	Not applicable
94 (4)	A debtor shall not be entitled to make an application under sub-section (1) if he is—	Not applicable

	(a) an undischarged bankrupt; (b) undergoing a fresh start process; (c) undergoing an insolvency resolution process; or (d) undergoing a bankruptcy process.	
94 (5)	A debtor shall not be eligible to apply under sub-section (1) if an application under this Chapter has been admitted in respect of the debtor during the period of twelve months preceding the date of submission of the application under this section.	On inquiry it is understood that such application has not been made by the Corporate Guarantor
94 (6)	The application referred to in sub-section (1) shall be in such form and manner and accompanied with such fee as may be prescribed.	The relevant fees had been paid through Bharatkosh – Receipt No. 24052300007525 dated 24-05-2023 for Rs. 2000.

FINDINGS OF THIS TRIBUNAL:

27. Heard and perused the report.

28. The Resolution Professional in his report has observed that the Personal Guarantor satisfies the requirement as set out in Section 94 of IBC, 2016. He has accordingly recommended for the admission of the present application.

29. On the other hand, the respondents, Indian Overseas Bank and Aditya Birla Capital Limited, have strongly opposed the maintainability of the present application. It has been urged that the application has been

filed with a mala fide intention to stall and frustrate the ongoing SARFAESI recovery proceedings. It is pointed out that Indian Overseas Bank has already taken symbolic possession of secured assets in December 2019, issued multiple auction notices, and even sold certain properties, while other auctions are in progress.

30. The respondents also submit that the applicant has failed to disclose all relevant documents, including the guarantee deed, loan contracts, and ownership/ title papers, thereby suppressing material facts. Aditya Birla Capital Limited has further emphasized that the application is incomplete and suffers from non-disclosure of vital information, which disentitles the applicant from any relief.

31. The Resolution Professional, in his report under Section 99, has confirmed that the applicant indeed stood as a guarantor for the debts owed by the corporate debtor to Indian Overseas Bank (Rs.24.31 crores as on 30.06.2019) and Aditya Birla Capital Limited (Rs.6.94 crores as on 28.08.2019). The RP has further verified that the guarantees were invoked and demand notices were issued by both creditors, thereby establishing the existence of debt and default.

32. At the same time, the RP has also pointed out that the applicant failed to disclose certain personal borrowings, particularly from Standard Chartered Bank (Rs.1.11 crores) and Tamil Nadu Mercantile Bank, which were contracted in his individual capacity and not in relation to the corporate debtor. Despite such omissions, the RP concludes that the disclosures made regarding liabilities towards Indian Overseas Bank and Aditya Birla Capital Limited are correct and that the requirements under

Section 94 of the IBC have been satisfied. Accordingly, the RP has recommended acceptance of the application.

33. Upon weighing the rival submissions, this Tribunal notes that there is no dispute regarding the factum of default by the corporate debtor and invocation of the personal guarantees executed by the applicant. The liability of the guarantor towards Indian Overseas Bank and Aditya Birla Capital Limited stands established. The objections raised by the respondents regarding non-disclosure of certain personal borrowings are not trivial; however, those borrowings were admittedly undertaken in the applicant's personal capacity and not as guarantor for the corporate debtor. While such omissions indicate lack of candour on the part of the applicant, they do not, in themselves, defeat the statutory right of a guarantor to seek resolution under Section 94, provided the requirements of the Code are otherwise fulfilled.

34. It is not disputed that the applicant herein executed personal guarantees in favour of the creditors for the facilities availed by the corporate debtor, KMP Spinners Private Limited, and that the said guarantees have been invoked. Demand notices under Section 13(2) of the SARFAESI Act, 2002, have been issued, symbolic possession of secured assets has been taken, and recovery proceedings are underway. The liability of the guarantors thus stands established.

35. The creditors contend that the present applications are filed with mala fide intent to obstruct recovery under SARFAESI. Indian Overseas Bank points out that multiple auction notices have been issued and certain assets have been sold. Aditya Birla Capital Limited also alleges

suppression of material facts and documents, such as copies of the guarantee deeds and title papers, and urges that the applications be rejected.

36. On the other hand, the Interim Resolution Professional, after verifying the records, has confirmed the liabilities of the applicant towards Indian Overseas Bank and Aditya Birla Capital Limited. He has concluded that the requirements of Section 94 of the Code have been satisfied. While noting that some borrowings in the personal capacity of the guarantors were not disclosed, the IRP has clarified that these were unrelated to the corporate debtor and therefore do not affect the maintainability of the present applications. The IRP has accordingly recommended admission.

37. At this stage, it becomes necessary to address whether the pendency of SARFAESI proceedings by itself disentitles the guarantor from seeking insolvency resolution under Section 94 of the IBC. The Hon'ble NCLAT in ***Getz Cables Private Limited v. SBI & Northern ARC Capital Ltd. (CA(AT)(Ins) No. 1953 of 2024)*** has held that mere pendency of SARFAESI proceedings cannot be equated with fraudulent intent under Section 65 of the IBC, and that the statutory right of an applicant to seek insolvency resolution cannot be denied without specific pleading and proof of malice. This ratio directly applies to the present case, where the creditors' objections rest substantially on the ground of parallel SARFAESI action.

38. We are mindful of the contrary precedents relied upon by the creditors. In ***Syed Sirajis Salikin Khadri v. Edelweiss ARC (NCLAT, 25.04.2025)***, the petition was dismissed where the filing was made immediately after the possession notice solely to frustrate recovery,

evidencing lack of bona fides. This case is distinguishable on facts, because in the present case, the application has been filed before conclusion of SARFAESI auctions, the debt and default are undisputed, and the IRP's report supports admission.

39. It is also pertinent to note that proceedings under SARFAESI and IBC are not mutually exclusive, and the pendency of recovery measures under SARFAESI cannot, by itself, bar the maintainability of an application under Section 94 of the Code. The jurisdiction conferred on this Tribunal under the IBC has to be exercised keeping in mind the object of the statute, namely, to provide a structured mechanism for resolution of debts of personal guarantors to corporate debtors.

40. The IRP has confirmed that the application satisfies all conditions under Section 94 of the Code. The debt is not an excluded debt under Section 79(15), and the applicant is not an undischarged bankrupt nor undergoing any other resolution or bankruptcy process. The personal guarantor has not filed any other application in the preceding twelve months, and the requisite statutory fee has been paid.

41. The Tribunal is satisfied that the application under Section 94 is maintainable and that the report submitted under Section 99(1) of the Code supports the initiation of the Insolvency Resolution Process. There exists a valid debt, a clear default, and the guarantor's personal liability. As per settled law, the liability of a guarantor is coextensive with that of the principal debtor.

42. It is noted that this Tribunal vide an order dated 03.06.2025, this has already considered and allowed the substitution of the Interim Resolution Professional. **Mr. Mahalingam Suresh Kumar** (IBBI/IPA-001/IP-P00110/2017-2018/10217) has been appointed in place of Mr. Madhu Desikan, considering operational convenience and availability, thereby ensuring continuity of the resolution process. This strengthens the procedural compliance of the case and reflects that the matter is actively being pursued under due process of law.

43. As per section 128 of the Indian Contract Act, 1872, when a default is committed, the Principal Borrower and Surety are jointly and severally liable to Creditor and the Creditor has the right to recover its dues from either of them or from both of them simultaneously. Section 128 of the Indian Contract Act, 1872 is reproduced hereunder:

> *"The liability of the surety is co-extensive with that of the principal debtor, unless it is otherwise provided by the contract."*

44. The Personal Guarantor of the Corporate Debtor, guaranteed for the Loan and credits which it availed from the Financial Creditors. The Corporate Debtor and Personal Guarantor failed to repay the Loan after the issuance of Demand Notice. The liability of the personal guarantor is co-extensive with the corporate debtor, as expressly provided under section 128 of the Indian contract act 1872, as the personal guarantor's liability is through an independent contract.

45. In light of the afore-stated observations, the RP report filed under section 99 in **I.A.(IBC)/770/(CHE)/2024** is **taken on record**. Consequently,

the **CP/(IB)131/(CHE) /2023** is **admitted**. The Insolvency Resolution Process stands initiated against M P Mohansundar viz. the Personal Guarantor in this application. We hereby direct as follows:

i. Insolvency Resolution Process against the Personal Guarantor is initiated. The moratorium in relation to all the debts is declared, from today i.e., date of admission of the application, and shall cease to have effect at the end of the period of 180 days, or this Tribunal passes order on the repayment plan under Section 114 whichever is earlier as provided under Sec 101 of 1BC, 2016. During the moratorium period,

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.

ii. We hereby appoint **Mr. Mahalingam Suresh Kumar** (email Id - msureshkumar@icai.org) and Reg. No. IBBI/IPA-001/IP-P00110/2017-2018/10217 with valid AFA till 31.12.2025.

iii. The Resolution Professional viz. Mr. Mahalingam Suresh Kumar is directed to cause a public notice published on behalf of the Adjudicating Authority within 7 days of passing this Order on the website of the NCLT Chennai Bench, inviting claims from all Creditors, within 21 days of such issue The notice under Sub Section (1) of Section 102(2) shall include: -

a. details of the order admitting the application;

b. particulars of the resolution professional with whom the claims are to be registered; and

c. the last date for submission of claims.

iv. The publication of notice shall be made in two newspapers, one in English and other in Vernacular, which have wide circulation in the State where the Corporate Debtor and Personal Guarantor reside. The Resolution Professional shall furnish two spare copies of the notice to the Registry for the record.

v. The Resolution Professional, in exercise of the powers conferred under Section 104, shall prepare a list of creditors on the basis of:

a. the information disclosed in the application filed by the debtor under Sections 94 or 95 as the case may be, and

b. claims received by the Resolution Professional under Section 102 within 30 days from the date of the notice. The debtor shall prepare a repayment plan under Section 105, in consultation with the Resolution Professional, containing a proposal to the Creditors for restructuring of his debts or affairs.

vi. The repayment plan may authorise or require the Resolution Professional to:

a. carry on the debtor, business or trade on his behalf or in his name: or

b. realise the assets of the debtor; or

c. administer or dispose of any funds of the debtor.

vii. The repayment plan shall include the following, namely;

a. justification for preparation of such repayment plan and reasons based on which the creditors may agree upon the plan;

b. provision for payment of fee to the Resolution Professional;

c. such other matters as may be specified.

viii. 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.

ix. In case the Resolution Professional recommends that a meeting of the creditors is not required to be called, he shall record the reasons thereof. If the Resolution Professional is of the opinion that a meeting of the creditors should be summoned, he shall specify the details as provided under Section 106(3) of IBC, 2016. The date of meeting should not be less than 14 days or more than 28 days from the date of submission of the Report under subsection (1) of Section 106 of IBC, 2016, for which at least 14 days' notice to the creditors (as per the list. prepared) shall be issued by all modes. Such notice must contain the details as provided under the provisions of Section 107 of IBC, 2016.

x. The meeting of the creditors shall be conducted in accordance with Sections 108, 109, 110 & 111 of IBC, 2016. The Resolution Professional shall prepare a report of the meeting of the creditors on repayment plan with all details as provided under Section 112 of IBC, 2016 and submit the same to this Tribunal, copies of which shall be provided to the Debtor 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 IBC, 2016.

xi. The Resolution Professional shall submit his periodic reports before this Tribunal, every 30 days.

xii. The Personal Guarantor is directed to deposit Rs.2,00,000/- (Rupees Two lakh only) to the bank account of the Resolution Professional within one week, towards his fees and expenses. This shall be subject to the rules and regulations under the provisions of the Insolvency and Bankruptcy Code, 2016.

xiii. The Registry is directed to communicate the copy of order, report and application to the concerned parties within seven working days and upload the same on the website immediately after the pronouncement of order.

46. Therefore, the present IRP report filed under section 99 in **I.A.(IBC)/770/(CHE)/2024** is ***taken on record*** and consequently, **CP/(IB)131/(CHE) /2023** stands ***admitted***.

Sd/-
RAVICHANDRAN RAMASAMY
Member (Technical)

Sd/-
SANJIV JAIN
Member (Judicial)

(Order pronounced under Rule 151 of NCLT Rules, 2016, by Hon'ble Member Technical Shri. Ravichandran Ramasamy for the cases heard and reserved by the Coram comprising Hon'ble Member Judicial Sanjiv Jain and Hon'ble Member Technical Shri. Ravichandran Ramasamy)

Sd/-
Court Officer