NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH
COURT NO. 1

ITEM No.202
IA/375(MP)2026
in
C.P.(IB)/24(MP)2021

Order under Section 112 r.w. Rule 11

IN THE MATTER OF:

Teena Saraswat Pandey RP of Sumit Rajpal **........Applicant**

Coram:

Hon'ble Shri Brajendra Mani Tripathi, Member (J)
Hon'ble Shri Man Mohan Gupta Member (T)

PRONOUNCEMENT OF ORDER
Delivered on 07/07/2026

The case is fixed for pronouncement of the order.

The order is pronounced in open Court *vide* separate sheet.

Sd/- Sd/-

MAN MOHAN GUPTA
MEMBER (TECHNICAL)

BRAJENDRA MANI TRIPATHI
MEMBER (JUDICIAL)

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IN THE NATIONAL COMPANY LAW TRIBUNAL

INDORE BENCH

IA No. 375/(MP)/2026

In

C.P.(IB) No. 24(MP)/2021

(Under Section 112 of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016)

IN THE MATTER OF PIRP:

MS. TEENA SARASWAT PANDEY

(Resolution Professional)

………Applicant

IN THE MATTER OF:

State Bank of India (Stressed Assets Recovery Branch, Indore)

......Financial Creditor / Applicant

Versus

Mr. Sumit Rajpal

Personal Guarantor of M/s Rajpal Autolink Private Limited

……Respondent

Coram:

Shri Brajendra Mani Tripathi, Hon’ble Member (J)

Shri Man Mohan Gupta, Hon’ble Member (T)

For the Applicant **:** Ms. Teena Saraswat Pandey, Resolution Professional

Order Pronounced on: 07.07.2026

ORDER

1. The present Application has been filed by the Applicant, Ms. Teena Saraswat Pandey ('**Resolution Professional**'/'**Applicant**'), under Section 112 of the Insolvency and Bankruptcy Code, 2016 ('**Code**'/'**IBC**') read with Rule 11 of the National Company Law Tribunal Rules, 2016, for the purpose of placing on record the report of the meeting of creditors on the repayment plan and for closure of the personal insolvency resolution process initiated against Mr. Sumit Rajpal personal guarantor of M/s Rajpal Autolink private limited.

2. By way of the present Application, the Applicant/Resolution Professional has prayed that this Adjudicating Authority may be pleased to:

   i. Allow the present Interlocutory Application filed under Section 112 of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016;

   ii. Take on record the Report of the Meeting of Creditors on the Repayment Plan filed by the Resolution Professional under Section 112 of the Code in respect of the PIRP of Mr. Sumit Rajpal, Personal Guarantor of M/s Rajpal Autolink Private Limited;

iii. Take on record the closure of the Personal Insolvency Resolution Process initiated against Mr. Sumit Rajpal in CP (IB) No. 24(MP)/2021.

iv. Pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case and in the interest of justice.

3. It is seen from the record that the original Petition bearing C.P.(IB) No. 24 (MP)/2021 been filed on 19.07.2021 under Section 95 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “Code”) read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 by State Bank of India (hereinafter referred to as “Financial Creditor”/“Applicant”) for the purpose of initiating insolvency resolution process against Mr. Sumit Rajpal (hereinafter referred to as “Respondent/Personal Guarantor”), Personal Guarantor of the M/s Rajpal Autolink Private Limited (hereinafter referred to as “Corporate Debtor”) having Corporate Identification Number (CIN): U50100MP2011PTC026888) for default of an amount of Rs. 10,19,27,157/- (Rupees Ten Crores Nineteen Lakhs Twenty Seven Thousand One Hundred Fifty-Seven Only).

4. Tribunal vide order dated 25.08.2021 appointed Ms. Teena Saraswat Pandey, Insolvency Professional registered with IIIPCAI having IBBI Registration No. IBBI/IPA-001/IP-P00652/2017- 2018/11126 as Resolution Professional under sub-section (5) of Section 97 of the Code, in connection with the proposed insolvency resolution process of Mr. Sumit Rajpal, Respondent/Personal Guarantor in C.P.(IB)/24(MP)/2021.In

compliance therewith, the Resolution Professional duly submitted her Report within the stipulated time of ten days recommending the admission of the Application under Section 95 of the Code.

5. Subsequently, *vide* Order dated **23.02.2026**, this Adjudicating Authority, after considering the Report of the Resolution Professional, admitted the Application under Section 100 of the Code and accordingly directed commencement of the Personal Insolvency Resolution Process ('**PIRP**') against the Personal Guarantor and a moratorium in terms of Section 101 of the Code was also declared. The Resolution Professional was further directed to take all necessary steps in terms of Sections 102, 103, 104, 105 and 106 of the Code.

6. A public announcement inviting claims from all creditors was published on 26.02.2026 in English and vernacular newspapers with wide circulation in Madhya Pradesh, copies of which were filed before the Hon'ble NCLT, Indore Bench, in compliance with applicable regulations, notices seeking financial information were served on the personal guarantor on 28.02.2026, and the last date for submission of claims was 19.03.2026.

7. Pursuant to the public announcement, claims were received from the creditors of the Personal Guarantor. The Resolution Professional, in accordance with Section 104 of the Code, collated and verified the claims and prepared the list of creditors. The final list of creditors dated **23.03.2026** reflects the sole creditor *State Bank of India* with an admitted claim of **Rs. 10,02,09,537/-** carrying 100% voting share.

8. Despite repeated opportunities, the Personal Guarantor refused to cooperate with the Resolution Professional throughout the PIRP, failing to

provide financial information, a Statement of Affairs, or a Repayment Plan. A detective agency's probe (report dated 06.05.2026) found no uncharged assets in the guarantor's name, making a viable Repayment Plan impossible. At the CoC's second meeting on 22.05.2026, the State Bank of India (holding 100% voting share) unanimously authorized the Resolution Professional to seek the Tribunal's approval to close the PIRP so the Financial Creditor may pursue bankruptcy under the Code, and this interlocutory application is therefore filed under Section 112 of the IBC, 2016 read with Rule 11 of the NCLT Rules, 2016.

9. During the course of the PIRP, the meetings of the Creditors were duly convened by the Resolution Professional in accordance with the provisions of Sections 107, 108, 109, 110 and 111 of the Code.

S.No	Date	Day	Key Agenda	Decisions/outcome
1.	13.04.2026	Day 50	Constitution of CoC; review of PIRP status; non-cooperation of Personal Guarantor; approval of RP fees, PIRP costs, Detective Agency appointment	SBI confirmed as sole Financial Creditor (100% voting share). RP fees approved at Rs. 25,000/- per month plus GST. Detective Agency (CIS, Bhopal) approved for asset investigation
2.	22.05.2026	Day 89	Review of Detective Agency Report; consideration of PIRP closure; approval for	No uncharged assets found. Repayment Plan not feasible. CoC unanimously resolved

			filing Closure Application; appointment of legal counsel	(100% voting share) to authorise RP to file Closure Application. Bankruptcy proceedings to follow thereafter

10. At the Committee of Creditors second meeting on 22.05.2026, the sole financial creditor, State Bank of India (100% voting share), unanimously resolved to:

(a) Coc to Approve the fees of the Resolution Professional:

Resolution: INTERIM PERIOD FEES

"Subject to the provisions of the Insolvency and Bankruptcy Code, 2016, rules and regulations made thereunder, and the powers of the Committee of Creditors, the following resolution was passed with 100% voting share:

'RESOLVED THAT the fees of Rs 25000 plus GST of the Resolution Professional for the interim period from filing of petition till closure order, per Personal Guarantor case, are hereby approved, subject to the production of supporting bills and vouchers wherever applicable.'"

(b) appoint legal counsel to represent before the Tribunal on the terms and fees presented,

Resolution:

"Subject to the provisions of the Insolvency and Bankruptcy Code, 2016, rules and regulations made thereunder, and the powers of the Committee of Creditors, the following resolution was passed with 100% voting share:

'RESOLVED THAT the appointment of legal counsel for representation before the Hon'ble NCLT, Indore Bench in the PIRP matters of all three Personal Guarantors is hereby approved —

a) with fees fixed at ₹15,000/- per effective hearing and ₹5,000/- towards actual miscellaneous/filing expenses, for Progress Report; and

b) with fees fixed at ₹30,000/- per effective hearing and ₹5,000/- towards actual miscellaneous/filing expenses ,for Closure Report to be filed by the RP.

The fee structure is on the basis of the lowest quote from the comparative statement placed before the CoC forming part of Annexure C to these Minutes. The Resolution Professional is hereby authorized to engage legal counsel on the said terms.

(b) ratify and approve actual and estimated PIRP costs at Rs. 2,10,000/- per case (excluding GST),

Resolution

Subject to the provisions of the Insolvency and Bankruptcy Code, 2016, rules and regulations made thereunder, and the powers of the Committee of Creditors, the following resolution was passed with 100% voting share:

'RESOLVED THAT the further actual and estimated PIRP costs, as placed before the Committee and forming part of Annexure B to these Minutes, including lawyer's fees for progress and closure reports, RP fees, interim

RP fees, and miscellaneous expenses, aggregating to ₹2,10,000/- (Excluding GST) per Personal Guarantor case, are hereby ratified and approved.

(c) authorise the Resolution Professional to file an application for closure of the PIRP so the Financial Creditor may pursue bankruptcy proceedings under the Code.

Resolution:

"Subject to the provisions of the Insolvency and Bankruptcy Code, 2016, rules and regulations made thereunder, and the powers of the Committee of Creditors, the following resolution was passed with 100% voting share: '

RESOLVED THAT pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations made thereunder, the members/creditors with 100% voting shares hereby resolve and authorise the Resolution Professional, Ms. Teena Saraswat Pandey, to proceed to file the appropriate petition/application before the Hon'ble NCLT, Indore Bench for closure of the Personal Insolvency Resolution Process.

RESOLVED FURTHER THAT pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations made thereunder, the members/creditors with 100% voting shares hereby authorise the RP to take such steps and do such acts/deeds as may be necessary to give effect to the above resolution."

11. Response from personal Guarantor: The Resolution Professional served notices and emails to the Personal Guarantors on 28.02.2026 seeking

financial information and documents, but received no response. A subsequent speed-post attempt was returned undelivered, so the RP requested SBI to furnish any alternate contact details (additional addresses or email IDs) to facilitate communication, and SBI's representative agreed to share such details if available, which the members/creditors noted.

12. Status as on 06.06.2026 (Day 104), the Personal Insolvency Resolution Process (PIRP) against Mr. Sumit Rajpal , personal guarantor of M/s Rajpal Autolink Pvt. Ltd commenced on 23.02.2026 following admission in CP (IB) No. 25(MP)/2021, remains under moratorium (since 23.02.2026). State Bank of India (SARB, Indore) has an admitted claim of Rs. 10,02,09,537/- representing 100% of CoC voting share. Further two CoC meetings were held (13.04.2026 and 22.05.2026) and no repayment plan has been prepared or submitted because the guarantor has not cooperated or provided financials and a detective agency report (06.05.2026) found no uncharged assets, making a viable plan infeasible. The statutory dealine for filing Section 112 report deadline is 23.06.2026 (T+120 days) and the present application is filed within time. The CoC unanimously authorised the Resolution Professional in its 22.05.2026 meeting to apply to the Tribunal for closure of the PIRP, after which the financial creditor may pursue bankruptcy proceedings under the code.

Observation and Analysis:

13. We have heard the counsel for the Application/RP and have perused the material placed before us.

14. The present application is filed by Ms. Teena Saraswat Pandey, the Resolution Professional (RP), under Section 112 of the Insolvency and

Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016 to place on record the Report of the Meeting of Creditors on the Repayment Plan and for closure of the Personal Insolvency Resolution Process (PIRP) against Mr.Sumit Rajpal, personal guarantor of M/s Rajpal Autolink Pvt. Ltd.

15. The insolvency petition against the personal guarantor was filed by State Bank of India on 19.07.2021 under Section 95 read with Rule 7(2) of the Personal Guarantor Rules, and the RP was appointed by the Tribunal on 25.08.2021.The RP submitted her preliminary report recommending admission. The AA admitted the PIRP on 23.02.2026 under Section 100 and declared the moratorium under Section 101.

16. Public announcement inviting claims was made on 26.02.2026 and notices for financial information were served on the guarantor on 28.02.2026. the claims process closed on 19.03.2026. The RP verified claims under Section 104 and prepared the final list dated 23.03.2026 showing SBI as sole financial creditor with an admitted claim of Rs. 10,02,09,537/-, carrying 100% voting share.

17. The RP convened CoC meetings on 13.04.2026 and 22.05.2026 in compliance with Sections 107–111. Minutes record constitution of CoC, approval of interim RP fees and appointment of a detective agency, review of the detective report, and unanimous (100% voting share) CoC authorisation to file for closure of the PIRP and for the financial creditor to pursue bankruptcy proceedings thereafter.

18. The personal guarantor has not cooperated despite notices he failed to provide financial information, a Statement of Affairs or a repayment plan,

and a follow-up speed-post was returned undelivered. The RP sought alternate contact details from SBI, which will supply them if available, and a detective agency report dated 06.05.2026 found no uncharged assets in the guarantor's name, making a viable repayment plan impracticable. As of 06.06.2026 (Day 104) the PIRP remains under moratorium; the statutory deadline for the Section 112 report (T+120) is 23.06.2026 and the present interlocutory application was filed within that period. The CoC (holding 100% voting share) has authorised the RP to seek closure of the PIRP and to permit SBI to initiate bankruptcy proceedings under the Code.

19. As can be seen from the provisions of proviso to Section 112 and 114 of IBC, 2016,

The reading of section 112 of the code is given as follows:

(1) The resolution professional shall prepare a report of the meeting of the creditors on repayment plan.

2) The report under sub-section (1) shall contain—

(a) whether the repayment plan was approved or rejected and if approved, the list the modifications, if any;

(b) the resolutions which were proposed at the meeting and the decision on such resolutions;

(c) list of the creditors who were present or represented at the meeting, and the voting records of each creditor for all meetings of the creditors; and

(d) such other information as the resolution professional thinks appropriate to make known to the Adjudicating Authority.

The reading of section 114 of the code is given as follows:

"114. Order of Adjudicating Authority on repayment plan.

(1) The Adjudicating Authority shall by an order approve or reject the repayment plan on the basis of the report of the meeting of the creditors submitted by the resolution professional under Section 112:

Provided that where a meeting of creditors is not summoned, the Adjudicating Authority shall pass an order on the basis of the report prepared by the resolution professional under Section 106.

20. The conjoint reading of provisos to Section 112(1) and Section 114 of the Code gives an impression that this tribunal may pass an order either on the basis of the report under Section 112 of IBC, 2016 or the report under Section 106(2) of the Code.

21. The Code mandates cooperation by the debtor/guarantor with the RP. Persistent non-cooperation, failure to submit a Statement of Affairs or repayment plan, and unavailability of assets (per detective report) justify closure of the PIRP where a feasible resolution is impossible.

22. As has been noted hereinabove, no repayment plan has been offered by the PG, thus the RP filed his report indicating the position to the effect. Apparently, the ramification of non-availability of the resolution plan would be same as that of rejection of the repayment plan by the creditors, thus the same consequences as are of rejection of repayment plan would follow.

23. With the sole creditor holding 100% voting share and the detective agency finding no uncharged assets, there is no prospect of a consensual repayment plan or meaningful value realisation in the PIRP. Permitting closure to

enable the financial creditor to pursue bankruptcy proceedings aligns with the statutory objectives of the IBC (maximising value, timely resolution, and certainty).

24. The provisions of section 115(2) of IBC, 2016 reads thus:-

115. Effect of order of Adjudicating Authority on repayment plan.

(1)…

(2) Where the Adjudicating Authority rejects the repayment plan under section 114, the debtor and the creditors shall be entitled to file an application for bankruptcy under Chapter IV.

(3) A copy of the order passed by the Adjudicating Authority under sub-section (2) shall be provided to the Board, for the purpose of recording an entry in the register referred to in section 196.

ORDER

25. In view of the above we are taking on record the report submitted by the RP under section 112 of the code.

26. In the aforesaid circumstances and in due deference to the proviso to the provisions of Section 114(1) of the Code, we direct the closure of the Personal Insolvency Resolution Process initiated against Mr. Sumit Rajpal in CP(IB) No. 24(MP)/2021.

27. In terms of the provisions of section 115(2) of IBC,2016 with the Adjudicating Authority rejecting the repayment plan under section 114, the debtor and the creditors shall be entitled to file an application for bankruptcy under chapter IV.

28. The moratorium commenced in terms of section 101 of the IBC 2016 in relation to all the debts and assets of the Personal Guarantor shall ceases to have effect from the date of this order.

29. The RP stands discharged and is entitled to claim RP/IRP costs from the Stakeholders.

30. Let a copy of this order be provided to IBBI for the purpose of recording an entry in the register referred to Section 196 of IBC, 2016. The RP shall also make copies of this order available to all the creditors and Personal Guarantor within one week from today.

31. Further, certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

32. With the above directions, the present application i.e. IA/375 OF 2026, is hereby **Allowed & disposed of.**

Sd/-	Sd/-
MAN MOHAN GUPTA	**BRAJENDRA MANI TRIPATHI**
(MEMBER TECHNICAL)	**(MEMBER JUDICIAL)**

Anushka Rawat-LRA