

BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, COURT-I, AHMEDABAD

Item No.223 & 224  
C.P. (IB) No. 123/NCLT/(AHM) /2026  
WITH  
I.A. No.699/NCLT/AHM/2026

*[Company Petition under Section 95(1) of the Insolvency and Bankruptcy Code, 2016 r. w. Rule 7 (2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantor to Corporate Debtor) Rules, 2019]*

*In the matter of* **Kartik Babulal Jain**

**CP (IB) No.123/NCLT/AHM/2026**

**UCO Bank,**  
Having its registered Office at  
Mid Corporate Branch,  
Ankur Char Rasta,  
Varachha, Surat – 395008  
Through Authorized Representative  
Mr. Vivek Jain

**...Petitioner/Financial Creditor**

**VERSUS**

**Mr. Kartik Babulal Jain**  
Personal Guarantor of  
M/s. Surat Super Yarn Park Ltd.  
101, Thakkar Palace,  
Ghod-Dod Road, Opp. Kakadia Complex  
Parle Point, Surat – 395001

**...Respondent/Personal Guarantor**

**I.A. No.699/NCLT/AHM/2026**

**Abhishek Choudhary**  
**Resolution Professional of**  
**Personal Guarantor**  
**Kartik Babulal Jain**  
**Resolution Professional Having**

IBBI Registration No.  
IBBI/IPA-001/IP-P-02749/2022-2023/14209.  
Having his Office Address at:  
10-B, Tower D, Poddar Residency, VIP  
Canal Road, Opp. Capital Life Vesu,  
Surat City, PO: SVR College, Surat,  
Gujarat- 395007

.... Resolution Professional

Order Pronounced on 19.06.2026

**C O R A M:**

**MR. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)**  
**MR. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)**

**A P P E A R A N C E:**

For the Applicant/IRP	:	Mr. Atul Sharma, Advocate
For the FC	:	Mr. Harshil Patel, Advocate
For the PG	:	Mr. Jaimin R. Dave, Advocate a. w. Ms. Hirva Dave, Advocate

**O R D E R**  
(Per Bench)

1. This Company Petition has been filed by the Financial Creditor under Section 95(1) of the Insolvency and Bankruptcy Code, 2016 ("IBC") 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, seeking initiation of insolvency resolution process against the Respondent, Personal Guarantor to M/s Surat Super Yarn Park Ltd for a default amount of Rs. 15,00,15,524.08/- in respect of Deed of Guarantee dated 11.06.2013 executed in favour of the Applicant/Financial Creditor.
2. The case of the Financial Creditor is that credit facilities aggregating to ₹20,00,00,000/- were sanctioned to the Corporate Debtor pursuant to a sanction letter dated 08.04.2013. To secure the said facilities, the

Respondent executed a Deed of Guarantee dated 11.06.2013 in favour of the Financial Creditor.

3. Owing to persistent defaults committed by the Corporate Debtor, its loan account was classified as Non-Performing Asset (NPA) on 31.03.2015. Consequently, the Financial Creditor issued a Loan Recall Notice dated 01.04.2015 and invoked the personal guarantee furnished by the Respondent.
4. Thereafter, proceedings under the SARFAESI Act, 2002 were initiated by issuance of demand notice under Section 13(2) dated 18.04.2015. Subsequently, the Financial Creditor filed Original Application No. 418 of 2015 before the Debt Recovery Tribunal-II, Ahmedabad. The debt was adjudicated by judgment dated 13.06.2025 and Recovery Certificate No. 77 of 2025 came to be issued.
5. Pursuant thereto, the Financial Creditor issued a demand notice in Form B dated 13.02.2026 under the applicable Rules calling upon the Personal Guarantor to discharge the outstanding liability. As on 10.03.2026, the amount claimed under the guarantee stood at ₹15,00,15,524.08. Despite service of the notice, no payment was made by the Respondent.
6. Upon filing of the Company Petition, this Tribunal, by order dated 06.04.2026, appointed **Mr. Abhishek Choudhary**, Registration No. IBBI/IPA-001/IP-P-02749/2022-2023/14209, as Interim Resolution Professional under Section 97(3) of the IBC and directed him to submit a report under Section 99.
7. The Interim Resolution Professional submitted his report dated 15.04.2026 through I.A. 699 of 2026 on 20.04.2026 vide Inward Diary No. E1164 recommending admission of the Company Petition. The report records that: -

- I. the application satisfies the requirements of Section 95 of the Code;
  - II. the debt and default stand established;
  - III. no material has been produced by the Personal Guarantor evidencing repayment of the debt; and
  - IV. the application is complete in all respects.
8. Notice was issued to the Personal Guarantor. Learned counsel appearing on behalf of the Respondent/PG submitted that no reply was proposed to be filed and that the Respondent does not oppose the application.
  9. We have heard learned counsel for the parties, perused the application, the documents placed on record and the report submitted under Section 99 of the Code.
  10. The material on record establishes that the Financial Creditor had extended financial facilities to the Corporate Debtor and that the Respondent executed a valid and enforceable personal guarantee in respect thereof. The debt has been adjudicated by the Debt Recovery Tribunal and remains unpaid.
  11. The demand notice issued under the applicable Rules was duly served upon the Personal Guarantor. Despite such service, the outstanding liability has not been discharged. No evidence of repayment or any legally sustainable defence has been placed before this Tribunal.
  12. The report submitted by the Resolution Professional under Section 99 supports the existence of debt and default and recommends admission of the application. We find no reason to differ from the findings recorded therein.
  13. Accordingly, this Tribunal is satisfied that the requirements of Sections 95, 99 and 100 of the Insolvency and Bankruptcy Code, 2016 stand

fulfilled. The existence of debt and default is established and the application deserves to be admitted.

14. Consequently, the application is admitted under Section 100 of the Code and the Insolvency Resolution Process is initiated against the Personal Guarantor, **Mr. Kartik Babulal Jain**.
15. In terms of Section 101 of the Code, a moratorium shall commence from the date of this order and shall remain in force until completion of the process or until further orders in accordance with law.
16. During the moratorium period, the following provisions shall be in effect:
  - I. all pending legal proceedings in respect of any debt shall remain stayed;
  - II. no creditor shall initiate or continue any legal proceeding in respect of any debt;
  - III. the Personal Guarantor shall not transfer, alienate, encumber or dispose of any of his assets or legal rights therein; and
  - IV. such exceptions as may be notified by the Central Government shall apply.
17. **Mr. Abhishek Choudhary**, Registration No. IBBI/IPA-001/IP-P-02749/2022-2023/14209, is appointed as the Resolution Professional for conducting the insolvency resolution process in accordance with the provisions of the Code and the Regulations framed thereunder.
18. The Resolution Professional shall take all necessary steps contemplated under the Code, including issuance of public notice, collation of claims, preparation of list of creditors, formulation of repayment plan, convening of meetings, if required, and submission of reports before this Tribunal within the prescribed timelines.

19. The Registry is directed to communicate a copy of this order to the Financial Creditor, the Personal Guarantor and the Resolution Professional forthwith.
20. In terms of the above, CP (IB)/123 (AHM)/2026 is admitted. Consequently, IA No. 699/NCLT/AHM/2026 stands disposed of accordingly.

Sd/-

**SANJEEV SHARMA**  
**MEMBER (TECHNICAL)**

Rutvik Steno

Sd/-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**