

**NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI BENCH (COURT-II)**

**IA. NO. 1944/ND/2026 AND IA. NO. 1891/ND/2026**  
**IN**  
**COMPANY PETITION NO. (IB) 141/PB/2026**

**IN THE MATTER OF CP (IB) No. 141/PB/2026:**  
**(Under Section 123 of IBC, 2016)**

**Punjab and National Bank**

**... Financial Creditor**

**Versus**

**Ms. Aarti Singal**

**... Respondent/  
Corporate Debtor**

**IN THE MATTER OF IA. NO. 1944/ND/2026 AND IA. NO. 1891/ND/2026:**  
**(Under Rule 11 of NCLT Rules, 2016)**

**Ms. Aarti Singal**  
53, Jor Bagh, Lodi Road,  
New Delhi-110003

**... Applicant**

**Versus**

**Punjab National Bank**  
Through its chief Manager  
Zonal Address:  
Zonal SASTRA Centre, SCO 60-61,  
Sector 17-B, Chandigarh  
Registered address:  
Punjab National Bank, Head Office,  
7 Bhikhaiji Cama Place,  
New Delhi – 110060

**... Respondent**

**Order Delivered on: 30.06.2026**

**CORAM:**

**SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)**  
**SH. ATUL CHATURVEDI, HON'BLE MEMBER (T)**

**PRESENT:**

- For the Applicant** : Sr. Adv. Sudhir K. Makkar, Adv. Anurag Yadav, Adv. Aalok Jain
- For the Respondent** : Spandan Biswal, Adv, Kaustubh Rai, Adv, Vipulaaksh Moondra, Adv, Shivendra Pandey, Adv.

**ORDER**

**PER: SHRI ASHOK KUMAR BHARDWAJ, MEMBER (J)**

**IA. NO. 1944/ND/2026:-** The captioned application has been preferred by the Applicant i.e., Mrs. Aarti Singal, under Rule 11 of the National Company Law Tribunal Rules, 2016, seeking recall of the order dated 17.04.2026 passed by this Tribunal in CP (IB) No. 141/PB/2026 preferred under Section 123 of the Insolvency and Bankruptcy Code, 2016, whereby a Bankruptcy Order was passed against the Personal Guarantor. The prayer made in the captioned application, reads thus:-

- “a) Recall the order dated 17.04.2026 passed by this Hon'ble Tribunal in the captioned petition,*
- b) Dismiss the captioned petition, being filed in non-compliance of the mandatory requirement of Rule 7 (2) of the (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019”*

**2.** To buttress the plea for recall of the Bankruptcy Order, the Learned Counsel for the Applicant espoused:-

- I. Copy of the Bankruptcy Petition, being CP (IB) No. 141/PB/2026, was not served upon the Personal Guarantor, thus, Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for

Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019, is violated. The Applicant became aware of the pendency of the said proceedings only upon perusal of the cause list of this Bench dated 17.04.2026.

- II. No confirmation was obtained from the IBBI regarding the pendency or otherwise of any disciplinary proceedings against the proposed Bankruptcy Trustee, which constitutes the appointment of Bankruptcy Trustee contrary to the requirements of Section 125(1) of the Code.
- III. The written consent of the proposed Bankruptcy Trustee in Form A was not annexed to CP (IB) No. 141/PB/2026, which, according to the Applicant, is in violation of Regulation 3(3) of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019.
- IV. Lastly, it is contended that the Insolvency Professional who had acted as the Resolution Professional during the Personal Insolvency Resolution Process of the Applicant ought not to have been appointed as the Bankruptcy Trustee in the ensuing bankruptcy process.

**3.** The application is opposed by the Creditor by way of filing a reply, espousing thus:-

- I. The Bankruptcy Petition was registered on 24.03.2026 and was initially listed before Bench-I on 30.03.2026, which transferred the matter to this Bench. Thereafter, the matter was listed on 17.04.2026, and the petition was allowed.

II. The Bankruptcy Petition was duly served upon the Personal Guarantor on 17.03.2026 through the email IDs aarti\_singal61@yahoo.com and goyalrp157@yahoo.com. The email ID aarti\_singal61@yahoo.com is stated to be the Personal Guarantor's own email address, as disclosed in her Income Tax Return for AY 2024 filed on 30.07.2024 and furnished to the Resolution Professional during the insolvency resolution process. The email ID goyalrp157@yahoo.com belongs to Mr. Ravi Goyal, who had been authorised by the Personal Guarantor to represent her during the personal insolvency resolution process through communications dated 24.11.2024, 30.01.2025 and 25.02.2025. Mr. Ravi Goyal had corresponded with the Resolution Professional on behalf of the Personal Guarantor and had consistently received communications relating to the insolvency proceedings on the said email address. Applications and reports filed during the insolvency process, including the report under Section 112 of the Code, were served upon him, and the Personal Guarantor participated in such proceedings through counsel without raising any objection regarding non-service. It is, therefore, contended that service upon Mr. Ravi Goyal constituted valid service upon the Personal Guarantor, particularly as the bankruptcy proceedings are a continuation of the insolvency resolution process.

III. The Personal Guarantor was throughout aware of and actively participated in the insolvency proceedings. Upon rejection of the repayment plan, initiation of bankruptcy proceedings follows as a statutory consequence and the Personal Guarantor was aware of both

the rejection of the repayment plan and the ensuing bankruptcy proceedings.

- IV. The Bankruptcy Trustee declared in Part IV of the Bankruptcy Petition that no disciplinary proceedings are pending against him. It is contended that even if a separate affidavit regarding the absence of disciplinary proceedings was required, non-filing thereof would constitute a curable defect. In support of this contention, reliance has been placed on ***State Bank of India (Through RP Mr. Harvinder Singh) v. Kannan Selvaraj***, reported in 2025 SCC OnLine NCLT 7616.
- V. The Bankruptcy Trustee had furnished his written consent in Form-A to Financial Creditor vide email dated 11.02.2026 i.e., prior to the filing of the Bankruptcy Petition. Although the said Form-A was not annexed to the Bankruptcy Petition, it is contended that such annexure is not mandated under the Bankruptcy Rules governing initiation of bankruptcy proceedings. The requirement relating to written consent under the applicable Bankruptcy Regulations is stated to have been duly complied with. The requisite declarations and consent are also reflected in Part IV of Bankruptcy Petition. Accordingly, it is contended that the statutory and procedural requirements concerning the Bankruptcy Trustee's consent stand duly satisfied.
- VI. Neither the Code nor the applicable Bankruptcy Rules and Regulations prohibit the same insolvency professional from acting as Resolution Professional during the personal insolvency resolution process and thereafter continuing as Bankruptcy Trustee in the bankruptcy

process. Such continuity is stated to promote consistency and efficiency, as the professional is already acquainted with the affairs of the Personal Guarantor, the claims of creditors, the repayment proposal and the conduct of the insolvency process. Reliance has been placed on ***Central Bank of India v. Vijayaraj Surana (CP (IB) 221 of 2021)***, ***State Bank of India v. Mrs. Madhu Jain (CP (IB) No. 478/ND/2023)*** and ***Bank of Baroda v. Sh. Umesh Padia (IB-712/ND/2025)***, wherein continuation of the same insolvency professional across successive stages of proceedings was permitted. It is contended that the Personal Guarantor has failed to establish any actual bias, conflict of interest or misconduct on the part of the Bankruptcy Trustee and, therefore, the objections raised against his appointment are unsustainable.

**4.** We have heard the Ld. Counsels appearing for the parties and perused the material available on record. As can be seen from the record (DMS/CIS), CP (IB) No. 141/PB/2026 was filed on 23.03.2026 and was initially listed before Principal Bench on 30.03.2026. Subsequently, the petition was transferred to this Bench and was listed on 17.04.2026. Apparently on 30.03.2026, no notice was issued to the Debtor and it was on the very first date of hearing that the bankruptcy order was passed. The plea taken by the applicant in the present application is that the copy of Bankruptcy Petition i.e., CP No. (IB) 141/PB/2026 was not served upon the Personal Guarantor, thus Rule 7 (2) of the (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019 is

violated. The Rule 7 (2) of the (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019, reads thus:-

*“Application by creditor: –*

*[...]*

*(2) The creditor shall serve forthwith a copy of the application referred to in sub-rule (1) to the guarantor and the corporate debtor for whom the guarantor is a personal guarantor.”*

**5.** A perusal of the record of CP (IB) No. 141/PB/2026 reveals that the Petitioner therein had placed on record, the proof of service of the Bankruptcy Petition through email addressed to aarti\_singal61@yahoo.com and goyalrp157@yahoo.com, purportedly belonging to the Personal Guarantor, Ms. Aarti Singal, and her authorised representative, Mr. Ravi Goyal, respectively.

**6.** It is the case of the Respondent that the email address aarti\_singal61@yahoo.com was disclosed by the Personal Guarantor in her Income Tax Return for AY 2024 filed on 30.07.2024 and was also furnished to the Resolution Professional during the personal insolvency resolution process. It is contended that the email address goyalrp157@yahoo.com belongs to Mr. Ravi Goyal, who had been duly authorised by the Personal Guarantor to represent her during the personal insolvency resolution process through communications dated 24.11.2024, 30.01.2025 and 25.02.2025. The material placed on record indicates that Mr. Ravi Goyal had exchanged communications with the Resolution Professional on behalf of the Personal

Guarantor and had regularly received missive pertaining to the insolvency proceedings on the aforesaid email address.

**7.** In the present case, the Respondent has asserted that a copy of CP (IB) No. 141/PB/2026 was duly served upon the Personal Guarantor as well as her authorised representative through email dated 17.03.2026. The Respondent has further relied upon the proof of service placed on record in the said proceedings and has contended that the authorised representative had actively participated in the personal insolvency resolution process on behalf of the Personal Guarantor. The proof of service relied upon by the Respondent forms part of the record of CP (IB) No. 141/PB/2026. The relevant excerpt of the proof of service (ibid) reads thus:-

**Tuesday, March 17, 2026 at 23:28:45 India Standard Time**

---

**Subject:** IB No. of 2026 | PNB v Aarti Singal | Advance Service  
**Date:** Tuesday, 17 March 2026 at 11:28:37 PM India Standard Time  
**From:** Kaustubh Rai <kaustubh.raai@sbaclaw.com>  
**To:** aarti\_singal61@yahoo.com <aarti\_singal61@yahoo.com>, goyalrp157@yahoo.com <goyalrp157@yahoo.com>  
**CC:** Spandan Biswal <spandan.biswal@sbaclaw.com>

Dear Sir,

We write on behalf of our client, the financial creditor in the captioned application.

Please see below the link to access a copy of the application we intend to file on behalf of our client, as and by way of service upon you:

[https://drive.google.com/file/d/12yGDEqMMp7X-y7JqUI613WA6QWnouWWP/view?usp=share\\_link](https://drive.google.com/file/d/12yGDEqMMp7X-y7JqUI613WA6QWnouWWP/view?usp=share_link)

We request you to please acknowledge receipt of this email.

Thank you.

Yours sincerely,

**Kaustubh Rai**  
**SBAC Law**  
**+91 - 8765629295**

**8.** Once, the advance copy of the application could be sent on the available e-mail ids, the sole plea of non-providing the advance copy to the Debtor might not be a ground to recall the order of Bankruptcy. However, we cannot be oblivious of the fact that there being little confusion as the petition was received on transfer from a different Bench, even we could also not issue notice to the Debtor and order of Bankruptcy could be passed on the very first date of hearing. May be in such cases, where no repayment plan is offered, on filing of the petition under Section 122 or 123 of the Code, a view may be taken that the Debtor who could not offer any repayment plan under Section 105 of the Code or who could not even turn up to participate in PIRP might have nothing to say in response to an application preferred under Section 123 of the Code and no fruitful purpose could be served by issuing him/her notice before Bankruptcy order is passed. However, in a case like a present one, where the Debtor could offer repayment plan and revised repayment plan, it could not have been presumed that the Debtor could have nothing to say in the matter. Could the intention of the statute be not there to give another chance to the Debtor before initiation of Bankruptcy Process, there could be no reason to provide for initiation of bankruptcy proceedings separately and independently and the Bankruptcy Process could be there in continuation of the PIRP itself. The object of the PIRP is just to give an opportunity to an individual Debtor to discharge the debt qua all the creditors. The rejection of repayment plan has only ramification of closure of PIRP and does not mean that the Debtor cannot or could not have discharged the debt subsequent to closure of PIRP. Unlike, liquidation process, which is inevitable consequence of non-submission or rejection of resolution plan, the

Section 121 is enabling provision, which provides for filing of application of Bankruptcy in certain circumstances. Section 121 (2) of the Code also prescribes the period of limitation for filing an application for Bankruptcy.

The Section 121 reads thus:-

**“121. Application for bankruptcy.-**

*(1) An application for bankruptcy of a debtor may be made, by a creditor individually or jointly with other creditors or by a debtor, to the Adjudicating Authority in the following circumstances, namely;-*

*(a) where an order has been passed by an Adjudicating Authority under sub-section 4 of section 100; or*

*(b) where an order has been passed by an Adjudicating Authority under sub-section 2 of section 115; or*

*(c) where an order has been passed by an Adjudicating Authority under sub-section 3 of section 118; or*

*(d) where an order has been passed by an Adjudicating Authority under sub-section (1A) of section 106.*

*(2) An application for bankruptcy shall be filed within a period of three months of the date of the order passed by the Adjudicating Authority under the sections referred to in sub-section (1).*

*(3) Where the debtor is a firm, the application under sub-section (1) may be filed by any of its partners.”*

9. When the Debtor could possibly take both legal and factual pleas in response to bankruptcy application and it was not so that she had not participated in PIRP or had not submitted any repayment plan in our view, principle of natural justice could be violated. Before ordering bankruptcy, this Tribunal is guided by the fundamental principle that no person should be condemned unheard. Although material exists on record indicates service of

advance copy of Bankruptcy Petition upon the email addresses attributed to the Personal Guarantor and her authorised representative, the Applicant has consistently maintained his stand that she had no knowledge of the bankruptcy proceedings and became aware thereof only upon publication of the cause list dated 17.04.2026. In the peculiar facts of the present case and without rendering any conclusive determination on the disputed question of effective service, in furtherance of the principles of natural justice and to obviate any possible grievance regarding denial of opportunity, it would be apt to recall the order dated 17.04.2026. Even Rule 49 of NCLT Rules, also envisage the principle of natural justice and provides that where a petition or application is heard ex-parte against the Respondent/Respondents, such Respondent/Respondents may apply to the Tribunal for an order to set aside. If he/she/they satisfy the Tribunal that notice was not duly served. In the present case, notice was not even issued to the Debtor. Rule 49 of NCLT Rules, reads thus:-

***“49. Ex-parte Hearing and disposal.-***

*(1) Where on the date fixed for hearing the petition or application or on any other date to which such hearing may be adjourned, the applicant appears and the respondent does not appear when the petition or the application is called for hearing, the Tribunal may adjourn the hearing or hear and decide the petition or the application ex-parte.*

*(2) Where a petition or an application has been heard ex-parte against a respondent or respondents, such respondent or respondents may apply to the Tribunal for an order to set it aside and if such respondent or respondents satisfies the Tribunal that the notice was not duly served, or that he or they were prevented by any sufficient cause from appearing (when the petition or the*

*application was called) for hearing, the Tribunal may make an order setting aside the ex-parte hearing as against him or them upon such terms as it thinks fit.*

*Provided that where the ex-parte hearing of the petition or application is of such nature that it cannot be set aside as against one respondent only, it may be set aside as against all or any of the other respondents also.”*

**10.** It would not be out of context to refer to the judgment of the Hon'ble NCLAT in ***RCC E-Construct Pvt. Ltd. v. J. Ramkumar and Ors., (2025) ibclaw.in 859 NCLAT***, wherein the contours of the scope of Rule 11 and power of recall have been delineated in the following terms:

*“Rule 11 as incorporated is in the shape of the savings clause, where the exercise of inherent powers is an exclusive prerogative vested with the Learned Tribunal, which has given an overriding effect to the other provisions, for the purposes of extension or exercise of powers by the Learned Tribunal to pass any such order, as may be necessary to meet the ends of Justice depending upon the facts and circumstances of each case. The intention of Rule 11 of NCLT Rules, is that it is a savings power, which has been vested with Learned Tribunal that, in any given situation of a stalemate, in the proceedings, where the Learned Tribunal feels that the I & B Code, or the rules framed thereunder are silent to deal with the particular peculiar aspect and which is inevitably required to be exercised for the purposes to meet the ends of Justice.*

**2.** *It is the exclusive prerogative of the Learned Tribunal based on its rationale judgment to extend its ambit of powers, to pass an appropriate order under Rule 11 of the NCLT Rules, 2016. The language that has been used under Rule 11, makes it apparent:–*

*(i) That it acts as a savings clause in the absence of there being a specific provision under the statute to deal with a subject covered under the statute,*

*(ii) That it enables Learned Tribunal to pass orders on those issues where it is necessary to pass an order, in order to meet the ends of Justice and to prevent abuse of law.*

*(iii) Thus, invocation of the same, as the matter of right is not the intention of Rule 11 of the NCLT Rules, 2016. The purposes of the exercise of inherent powers under Rule 11 of the NCLT Rules, 2016, is to meet the ends of rendering substantial Justice or to prevent an abuse of process. In the instant case, invoking of Rule 11 of NCLT Rules for the purposes of seeking recall of an order passed on merits, after participation of a party in the connected proceedings is neither intended to prevent an abuse of process nor it intends to meet the ends of Justice. Rather, exercise of inherent powers under Rule 11 of NCLT Rules, is being prayed for, by filing the application under Rule 11 to sustain the recall application, so as to circumvent a situation where the Tribunal has not been vested with the power of review under the statute and to seek review of an order, which has been otherwise passed on merit after participation in the proceedings.*

**3. Rule 11 of the NCLT Rules, 2016, reads as under,**

**“11. Inherent Powers.-**

*Nothing in these rules shall be deemed to limit or otherwise affect the inherent powers of the Tribunal to make such orders as may be necessary for meeting the ends of justice or to prevent abuse of the process of the Tribunal”.*

4. In the case of **Printland Digital (India) Pvt. Ltd. v. Nirmal Trading Company (Company Appeal (AT) (Insolvency) No.504 of 2022)**, the Hon'ble NCLAT held that the Adjudicating Authority (NCLT), is vested with power to recall its order in terms of Rule 11 of NCLT Rules, 2016. However, this power does not include within its ambit, the power to review its order after a substantial issue in the matter has been decided. The relevant paragraphs is extracted hereunder,

**“No doubt that the Adjudicating Authority has no jurisdiction to review its order after deciding a substantial issue but it has the jurisdiction to recall the order of the kind in dispute i.e. where the right to Reply was closed by an order on the ground that the opportunities granted were not availed. In this regard, we rely upon a decision of this Tribunal rendered in the case of CA (AT) (Ins) No. 271 of 2022 in which it has been held that if there is an adjudication by the Adjudicating Authority on merits of the issues then it would not have the jurisdiction to review its order but insofar as the dispute with regard to right to file the Reply which is closed by an order, it certainly has the jurisdiction to recall it in terms of the Rule 11 of NCLT Rules, 2016”.**

**XXXX**

10. The Hon'ble NCLAT in the case of **Aircastle (Ireland) Ltd. v. Mr. Ashish Chawchharia, RP of Jet Airways (India) Ltd. and Ors. (Comp. App. (AT) (Ins) No.1178/2024)** has further emphasised on the difference between 'review' and 'recall'. It was made clear that the power to recall can be exercised only on account of a procedural error apparent on the face of record such as the mistake of the court prejudicing the parties, fraud or collusion in obtaining the judgment or a judgment that was rendered in ignorance of the fact that a necessary party had not been served at all or had died and the estate was not represented, and that powers vested on this Tribunal under Rule 11 of NCLT Rules, 2016, must not be invoked to re-open the case and to re-examine the

*findings. The relevant paragraphs are extracted hereunder for reference,*

*“56. At this stage, it is important to go into aspect of recall v/s review primary issue in the present appeal. We note that several judgments have been passed by the Hon’ble Supreme Court of India and this Appellate Tribunal explaining the distinction between review petition and recall petition. Based on such judgements, we find following ratios relevant which are summarised as under :-*

- Power of review has to be expressly conferred by a Statute.*
- Power to recall does not require an express provision in a Statute.*
- To recall is an inherent power whereas to review its judgement is not.*
- In a review petition, the Court considers the error apparent on the face of record on its merits.*
- Power of recall is not power of the Tribunal to rehear the case to find out any apparent error in the judgment which is the scope of review.*
- Power of recall of a judgment can be exercised by the Tribunal when any procedural error is committed in delivering the earlier judgment; for example, necessary party has not been served or necessary party was not before the Tribunal when judgment was delivered adverse to a party. One other well-known grounds for recall is the ground for fraud.*
- Where an application is styled as recall but in essence is review application, the same cannot be entertained.*
- Power to recall can be exercised under Rule 11 of NCLAT Rules, 2016*

*57. We will also refer to the judgment of the Hon’ble Supreme Court of India in the matter of Sri Budhia Swain v. Gopinath Deb & Ors. [(1999) 4 SCC 396] which stipulated an order or judgement can be recalled in the following instances i.e.,*

- i) The proceedings culminating into an order suffer from inherent lack of jurisdiction and such lack of jurisdiction is patent,*

ii) There exists fraud or collusion in obtaining the judgment,

iii) There has been a mistake of the Court prejudicing a party, or

iv) A judgment was rendered in ignorance of the fact that a necessary party had not been served at all or had died and the estate was not represented.

- 
- 

60. We consciously note that the NCLT & NCLAT have inherent powers to recall order but have no power to review its order.

- 
- 

**62. However, the Rule cannot be invoked to revisit the findings and it is not open to re-examine the findings. The mistake/error must be apparent on the face of the record and must have occurred due to oversight, inadvertence or human error.** It would be open to correct the conclusion if the same is not compatible with the finding recorded on the issues raised”.

**11.** This Tribunal refers to the decision of the five-member bench of the Principal Bench of the Hon’ble NCLAT in the case of **Union Bank of India v. Dinkar T. Venkatasubramanian and Ors (I.A. No.3961 of 2022 in Company Appeal (AT) (Ins.) No.729 of 2020)** wherein the Appellate Tribunal, while deciding on the question, whether it was vested with the power to entertain an application for recall of judgment on sufficient ground, elaborated on the difference between ‘review’ and ‘recall’. While doing so, it has held that power of recall on sufficient grounds is an inherent power vested with the Appellate Tribunal under Rule 11 of NCLT Rules, 2016 and has to be exercised to rectify any procedural error

committed by it and that the power of review has not been vested upon the Appellate Tribunal. It was clarified that the power of recall of the Appellate Tribunal does not include the power to re-hear the matter. It is pertinent to note that Rule 11 of the NCLAT Rules, 2016 is *pari materia* Rule 11 of NCLT Rules, 2016. Hence, the findings of the Hon'ble NCLAT may be relied upon to assess the scope of powers vested upon this Tribunal under Rule 11 of NCLT Rules, 2016. The relevant paragraph of the judgment is extracted as under,

“20. The above judgments of the Hon'ble Supreme Court clearly lays down that there is a distinction between review and recall. The power to review is not conferred upon this Tribunal but power to recall its judgment is inherent in this Tribunal since inherent power of the Tribunal are preserved, power which are inherent in the Tribunal as has declared by Rule 11 of the NCLAT Rules, 2016. **Power of recall is not power of the Tribunal to rehear the case to find out any apparent error in the judgment which is the scope of a review of a judgment. Power of recall of a judgment can be exercised by this Tribunal when any procedural error is committed in delivering the earlier judgment; for example; necessary party has not been served or necessary party was not before the Tribunal when judgment was delivered adverse to a party.** There may be other grounds for recall of a judgment. Well known ground on which a judgment can always be recalled by a Court is ground of fraud played on the Court in obtaining judgment from the Court. We, for the purpose of answering the questions referred to us, need not further elaborate the circumstances where power of recall can be exercised.”

**12.** The decision of the Hon'ble NCLAT in **Dinkar T. Venkatasubramanian (supra)** was upheld by the Hon'ble Supreme Court of India vide its order dated 31.07.2023 in **Union Bank of India Vs. Financial Creditors of M/s. Amtek Auto Ltd. & Ors. (Civil Appeal No.4620/2023)**.

**13.** *The Hon'ble Supreme Court of India in the case of **Greater Noida Industrial Development Authority Vs. Prabhjit Singh Soni and Anr. Civil Appeal Nos.7590-7591 of 2023 (Arising out of Diary No.3628 of 2023)** dated 12.02.2024, has explained the difference between procedural review and review on merits. A procedural review is an inherent power of the Tribunal to set aside the palpably erroneous order passed under a misapprehension which is to be differentiated from a review on merits wherein the tribunal sets itself to review its decision on merits. The power to review on the case on merits is not considered to be an inherent power of the Tribunal. It can be seen that, in essence, the power of procedural review is nothing but the power of the Tribunal to recall its order. The relevant paragraphs of the judgment are extracted as under,*

*“44. In Grindlays Bank Ltd. vs. Central Govt. Industrial Tribunal a question arose whether Central Government Industrial Tribunal has power to recall/set aside an ex parte award when the party aggrieved had been prevented from appearing by a sufficient cause. Holding that such powers inheres in a Tribunal, this Court observed:*

*“6. We are of the opinion that the Tribunal had the power to pass the impugned order if it thought fit in the interest of justice. It is true that there is no express provision in the Act or the rules framed thereunder giving the Tribunal jurisdiction to do so. But it is a well-known rule of statutory construction that a Tribunal or body should be considered to be endowed with such ancillary or incidental powers as are necessary to discharge its functions effectively for the purpose of doing justice between the parties. In a case of this nature, we are of the view that the Tribunal should be considered as invested with such incidental or ancillary powers unless there is any indication in the statute to the contrary. We do not find any such statutory prohibition. On the other hand, there are indications to the contrary.” (Emphasis Supplied)*

*In addition to above, recognising the difference between a procedural review and a review on merits, it was observed:*

*13..... The expression “review” is used in the two distinct senses, namely (1) a procedural review which is either inherent or implied in a court or Tribunal to set aside a palpably erroneous order passed under a misapprehension by it, and (2) a review on merits when the error sought to be corrected is one of law and is apparent on the face of the record.....Obviously when a review is sought due to a procedural defect, the inadvertent error committed by the Tribunal must be corrected *ex debito justitiae* to prevent the abuse of its process, and such power inheres in every court or Tribunal.”*

**14.** *The Hon’ble Supreme Court of India in the case of **Greater Noida Industrial Development Authority (supra)**, considered the case of **State of Punjab vs. Davinder Pal Singh Bhullar** wherein it was held that if a judgment has been pronounced without adhering to the principles of natural justice, then such an order becomes a nullity and the court may exercise its inherent power to recall such order. Such a power to recall is different from the power to review/alter its judgment. The relevant paragraphs are extracted for reference,*

*“45. In **State of Punjab vs. Davinder Pal Singh Bhullar**, while considering the bar imposed on a Court by Section 362 of the Criminal Procedure Code, 1973 on review of a judgment or final order disposing of a case, it was observed:*

*46. If a judgment has been pronounced without jurisdiction or in violation of principles of natural justice or where the order has been pronounced without giving an opportunity of being heard to a party affected by it or where an order was obtained by abuse of the process of court which would really amount to its being without jurisdiction, inherent powers can be exercised to recall such order for the reason that in such an eventuality the order becomes a nullity and the provisions of Section 362 CrPC would not operate. **In such an eventuality the judgment***

**is manifestly contrary to the audi alteram partem rule of natural justice. The power of recall is different from the power of altering/reviewing the judgment.** However, the party seeking recall/alteration has to establish that it was not at fault.”

15. In the case of **Greater Noida Industrial Development Authority (supra)**, it was held that an application for recalling the order of NCLT approving the resolution plan of the Corporate Debtor is maintainable if the same is made on the ground of non-adherence to provisions of IBC, 2016 and misrepresentation of facts by the Resolution Professional before the Tribunal. It was emphasized that such power to recall must be exercised sparingly and must not be a ground to rehear the case. The relevant paragraph is extracted for reference,

“50. In light of the discussion above, what emerges is, a Court or a Tribunal, in absence of any provision to the contrary, has inherent power to recall an order to secure the ends of justice and/or to prevent abuse of process of the Court. Neither the IBC nor the Regulations framed thereunder, in any way, prohibit, exercise of such inherent power. Rather, Section 60(5)(c) of the IBC, which opens with a non-obstante clause, empowers the NCLT (the Adjudicating Authority) to entertain or dispose of any question of priorities of any question of law or facts, arising out of in relation to the insolvency resolution or liquidation proceedings of the corporate debtor or corporate person under the IBC. Further, Rule 11 of the NCLT Rules, 2016 preserves the inherent power of the Tribunal. Therefore, even in absence of a specific provision empowering the Tribunal to recall its order, the Tribunal has power to recall its order. **However, such power is to be exercised sparingly, and not as a tool to re-heard the matter. Ordinarily, an application for recall of an order is maintainable on limited grounds, inter alia, where (a) the order is without jurisdiction; (b) the party aggrieved with the order is not served with the notice of the proceedings in which the order under recall has been passed; and (c) the order has been obtained by misrepresentation of facts or by**

**playing fraud upon the Court/Tribunal resulting in gross failure of justice.”**

**11.** As far as the plea of Section 125 of the Code is concerned, the same is regarding appointment of Insolvency Professional as Bankruptcy Trustee. To save the time in the process, the IBBI has evolved a procedure of providing a panel of IP's for being appointed as Bankruptcy Trustee inter alia. Thus, in due deference to the process, this Tribunal either appoint the IP proposed by the Creditor or the one from the panel as Bankruptcy Trustee, on finding a declaration from record that no disciplinary proceedings were pending against the IP and his authorisation for assignment is valid. It is not the case of the Debtor that there was no valid authorisation for assignment in favour of the IP proposed by the Creditor or the IP was facing disciplinary proceedings. Besides, the Debtor should not be concerned with the appointment of IP as Bankruptcy Trustee and the same can be concern of the Creditors or other stakeholders. Still if, it is brought on record by any means that the Bankruptcy Trustee is suffering from any disqualification or disability, this Tribunal may take note of the same and pass appropriate order. However, in the present case, only technical plea has been raised by the Debtor which can be addressed suitably. In any case, as no notice was issued to the Debtor by this Tribunal and it is not so that the Bankruptcy order does not affect any right of the Debtor, in due deference to the view taken by the Hon'ble Supreme Court in ***Innovative Industries vs. ICICI Bank reported in 2018 1 SCC 407***, we recall the order dated 17.04.2026.

**12.** Having recalled the order dated 17.04.2026 on considerations of natural justice, the question which now falls for determination is whether, on

the basis of the material presently available on record and after affording an opportunity of hearing to the Personal Guarantor, the requirements for initiation of bankruptcy process stand satisfied.

**13.** It is pertinent to note that subsequent to the passing of the order dated 17.04.2026, the Applicant preferred the present application being IA No. 1944/ND/2026. Vide order dated 05.05.2026, notice was issued to the Creditor as well as the proposed Bankruptcy Trustee. At the stage of issuance of notice, Mr. Sudhir Makkar, Learned Senior Counsel appearing on behalf of the Personal Guarantor, contended that neither an advance copy of the application filed under Section 123 of the Insolvency and Bankruptcy Code, 2016 had been served upon the Applicant nor had any notice been issued by this Tribunal in the bankruptcy proceedings. It was urged that the Applicant had thereby been deprived of an effective opportunity of hearing and the principles of natural justice stood violated.

**14.** During the hearing, we asked Mr. Makkar to put forth his defence on merits, however, he could not raise any contention to espouse that no case has been made out to order bankruptcy of the Debtor.

**15.** The Applicant has also prayed for dismissal of CP (IB) No. 141/PB/2026. However, while considering such prayer, it is necessary to bear in mind the stage at which the proceedings presently stand. By order dated 09.12.2025, this Tribunal had concluded the Personal Insolvency Resolution Process and, upon rejection of the repayment plan by the creditors, granted liberty to the creditors to avail the remedies contemplated under Section 115(2) read with Sections 121 and 123 of the Code. The

statutory framework governing insolvency and bankruptcy of personal guarantors envisages commencement of bankruptcy proceedings upon failure of the insolvency resolution process and rejection of the repayment plan in the manner contemplated by the Code. In such circumstances, the mere existence of certain procedural deficiencies at the stage of initiation of the bankruptcy proceedings cannot, by itself, furnish a ground for dismissal of the Bankruptcy Petition, particularly when the defects complained of have subsequently been addressed and the Personal Guarantor has been afforded a full opportunity to contest the matter on merits. The relief sought by the Applicant for outright dismissal of CP (IB) No. 141/PB/2026 is, therefore, required to be examined in the backdrop of the substantive statutory rights that accrued to the creditor consequent upon the failure of the insolvency resolution process.

**16.** The Applicant has further contended that the written consent of the proposed Bankruptcy Trustee in Form-A was not annexed to CP (IB) No. 141/PB/2026 and that such omission vitiates the bankruptcy proceedings. In this regard, it is noticed that during the pendency of the present application, the Respondent has placed on record the written consent furnished by the proposed Bankruptcy Trustee in Form-A. The relevant excerpt of Form A reads thus:-

**FORM A**  
**WRITTEN CONSENT TO ACT AS BANKRUPTCY TRUSTEE**  
*(Under regulation 3(3) of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019)*

11 February 2026

To  
The Adjudicating Authority  
National Company Law Tribunal  
New Delhi Bench (Court – II)

From  
Surendra Raj Gang  
IBBI/PA-001/IP-P01066/2017-2018/11773  
GT Restructuring Services LLP,  
L 41 Connaught Circus,  
New Delhi -110001

**Subject: Written consent to act as bankruptcy trustee.**

IA. NO. 1944/ND/2026 And IA. NO. 1891/ND/2026 in Company Petition No. (IB) 141/PB/2026  
Aarti Singal vs. Punjab National Bank

1. I, **Surendra Raj Gang**, an insolvency professional enrolled with Indian Institute of Insolvency Professionals of ICAI and registered with the Board, note that I have been proposed to be appointed as bankruptcy trustee for the bankruptcy process of Mrs. Aarti Singal (Personal Guarantor for the debts of Bhushan Power and Steel Limited).
2. In accordance with regulation 3(3) of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, I hereby give consent to the proposed appointment.
3. I declare and affirm as under: -
  - (a) I am registered with the Board as an insolvency professional.
  - (b) I am not subject to any disciplinary proceedings initiated by the Board or the Insolvency Professional Agency.
  - (c) I do not suffer from any disability to act as a bankruptcy trustee.
  - (d) I am eligible to be appointed as bankruptcy trustee of the bankrupt under regulation 3 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 and other applicable provisions of the Code and regulations.
  - (e) I shall make the disclosures in accordance with the code of conduct for insolvency professionals as set out in the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016;
  - (f) I have the following processes in hand:

Sl. No.	Role as	No. of processes on the date of consent
1	Interim Resolution Professional	Nil
2	Resolution Professional of: a. Corporate Debtors b. Personal guarantors or individuals or partnership firms	a. Nil b. One
3	Liquidator of: a. Liquidation Process b. Voluntary Liquidation Process	a. Nil b. One
4	Bankruptcy Trustee	Nil
5	Authorised Representative	Nil
6	Any other (please state)	Nil

17. The Applicant has also questioned the appointment of the proposed Bankruptcy Trustee on the ground that there is no confirmation from the Insolvency and Bankruptcy Board of India regarding the absence of any pending disciplinary proceedings against him, allegedly rendering the appointment contrary to Section 125(1) of the Code.

18. As can be seen from Form A reproduced hereinabove, it is noticed that the proposed Bankruptcy Trustee has specifically declared that no

disciplinary proceedings are pending against him before the Board or the Insolvency Professional Agency. A similar declaration has also been furnished in Part IV of CP (IB) No. 141/PB/2026. In these circumstances, insisting upon a separate confirmation from the Board, notwithstanding the declaration already placed on record, would not advance the purpose underlying Section 125 of the Code. Needless to say, any declaration furnished before this Tribunal carries legal consequences, and in the event the declaration is found to be false or misleading, the concerned Insolvency Professional would remain answerable in accordance with law.

**19.** At this juncture, reference may also be made to Rule 8(1) of the Insolvency and Bankruptcy Board of India (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019, which provides as follows:

***“Confirmation or nomination of insolvency professional.— (1) For the purposes of sub-section (2) of section 125 and sub-section (5) of section 145, the Board may share the database of the insolvency professionals, including information about disciplinary proceedings against them, with the Adjudicating Authority from time to time.”***

**20.** A plain reading of the aforesaid provision indicates that the Board is empowered to share with the Adjudicating Authority information relating to insolvency professionals, including details regarding disciplinary proceedings. The provision is intended to facilitate the process of confirmation or nomination of insolvency professionals and cannot be construed in a manner that would invalidate proceedings where the requisite declaration

regarding absence of disciplinary proceedings already forms part of the record and no material to the contrary has been brought before the Tribunal.

**21.** We are of considered view that remitting the matter once again to the Board solely for the purpose of obtaining a fresh confirmation regarding the absence of disciplinary proceedings against the proposed Bankruptcy Trustee would be a futile exercise, particularly when the relevant declaration has already been furnished by the Insolvency Professional. The Board in terms of Rule 8(1), periodically shares with this tribunal, the database of Insolvency Professionals. In the absence of any material indicating the existence of pending disciplinary proceedings against the proposed Bankruptcy Trustee, no useful purpose would be served by delaying the proceedings for seeking a reiterative confirmation from the Board.

**22.** The Applicant has contended that the Insolvency Professional who acted as the Resolution Professional during the Personal Insolvency Resolution Process ought not to be appointed as the Bankruptcy Trustee in the ensuing bankruptcy proceedings. According to the Applicant, such appointment is liable to be interfered with in exercise of the powers conferred upon this Tribunal under Section 125 of the Code. The Respondent, on the other hand, has submitted that neither the Insolvency and Bankruptcy Code, 2016 nor the Rules and Regulations framed thereunder contain any prohibition against the same Insolvency Professional acting as the Resolution Professional during the Personal Insolvency Resolution Process and thereafter continuing as the Bankruptcy Trustee upon commencement of the bankruptcy process. It is submitted that the Applicant has failed to establish

any actual bias, conflict of interest, misconduct or any other disqualification attributable to the proposed Bankruptcy Trustee.

**23.** Upon consideration of the rival submissions, we find merit in the contention advanced by the Respondent. The Applicant has not been able to point out any provision of the Code, the Rules or the Regulations which prohibits the Resolution Professional appointed during the Personal Insolvency Resolution Process from acting as the Bankruptcy Trustee upon commencement of bankruptcy proceedings. Mere continuation of the same Insolvency Professional across successive stages of the statutory process cannot, in the absence of any specific legal bar, be construed as giving rise to a presumption of bias or conflict of interest.

**24.** Furthermore, no material has been placed on record to demonstrate that the proposed Bankruptcy Trustee has acted in a manner prejudicial to the interests of the Personal Guarantor or has otherwise rendered himself ineligible for appointment. In the absence of any substantiated allegation of bias, misconduct, conflict of interest or disqualification, no ground is made out for this Tribunal to invoke its powers under Section 125(2)(b) of the Code and direct appointment of another Insolvency Professional as Bankruptcy Trustee.

**25.** In view of the foregoing discussion and upon consideration of the entire material available on record, we are of the considered opinion that no substantive legal or factual impediment survives which may warrant either dismissal of CP (IB) No. 141/PB/2026 or deferment of the bankruptcy process against the Personal Guarantor. The objections raised by the Applicant have

either been duly addressed during the course of the present proceedings or pertain to procedural irregularities which stand sufficiently cured and do not go to the root of the jurisdiction exercised by this Tribunal.

**26.** It is a settled principle that procedural requirements are intended to advance the cause of justice and not to thwart it. While this Tribunal has recalled its earlier order to ensure strict adherence to the principles of natural justice and to afford the Personal Guarantor a full opportunity of hearing, the said exercise cannot be permitted to culminate in frustration of the substantive rights which have accrued to the creditor under the statutory framework of the Insolvency and Bankruptcy Code, 2016. Once such opportunity has been afforded and the procedural concerns stand addressed, the proceedings must progress in accordance with the mandate of the Code.

**27.** The Insolvency and Bankruptcy Code is a comprehensive and time-bound legislation enacted to balance the interests of all stakeholders and to ensure expeditious resolution of insolvency and bankruptcy proceedings. The legislative intent underlying the Code would be seriously undermined if proceedings, otherwise maintainable in law, are permitted to be stalled or derailed on grounds which neither occasion any demonstrable prejudice nor affect the substantive merits of the matter. To permit the bankruptcy process to be frustrated by curable procedural objections, after full opportunity has been granted to the Personal Guarantor, would amount to elevating form over substance and would defeat the very object sought to be achieved by the Code.

**28.** The rights of a creditor who has lawfully invoked the remedies available under the Code cannot be rendered illusory merely because procedural

objections have been raised, particularly when such objections stand adequately addressed. Any approach to the contrary would not only impede the timely completion of the insolvency framework envisaged by Parliament but would also prejudice stakeholders who remain genuinely affected by the inability of the Personal Guarantor to satisfy her obligations. Consequently, this Tribunal finds no justification to halt the statutory consequences flowing from the failure of the Personal Insolvency Resolution Process and is of the considered view that the bankruptcy proceedings against the Personal Guarantor deserve to be carried forward in accordance with law.

**29.** It is relevant to note that, by order dated 09.12.2025, this Tribunal had concluded the Personal Insolvency Resolution Process in respect of the Personal Guarantor and, upon rejection of the repayment plan by the creditors, granted liberty to the creditors to take recourse to the remedies available under Section 115(2) read with Sections 121 and 123 of the Code. The order dated 09.12.2025 reads thus:-

**IA-4483/ND/2025:** The present application has been preferred under Section 112 of IBC, 2016. As can be seen from the order dated 07.10.2024, the application preferred under Section 99 was allowed and the petition filed by the Creditor under Section 95 of IBC, 2016 was admitted. The relevant excerpt of the order reads thus:

*“.....47. In light of the discussion above and upon perusal of the documents on record, we are satisfied that condition of section 95 are met.*

*48. The following Multiple Guarantee Deeds have been executed as shown in Annexure 9 Colly of the Petition / Application with respect to loan facilities given to the CD by the Applicant Bank:*

S. No.	Bank in whose favour, Guarantee rendered	Nature of Loan Facility	Date of Execution	Loan Amount in INR
1.	State Bank of India	Working Capital	21.09.2013	1500 crores
2.	State Bank of India	Term Loan Facility	12.03.2014	4760 crores
3.	State Bank of India	Credit facility	18.04.2015	5248.29 crores
4.	State Bank of Bikaner & Jaipur	Credit facility	28.04.2015	77 crores
5.	State Bank of	Credit facility	18.05.2015	158.83 crores

	Mysore			
6.	State Bank of Hyderabad	Credit facility	18.09.2015	401.91 crores

49. *Perusal of Guarantee Deeds show that the liability under the Guarantee deed is payable on demand. The Applicant invoked Personal Guarantee of the Respondent vide demand notice dated 13.02.2018 (Annexure 2 in the RP's Report). Since the Guarantee obligation is payable on demand, the limitation period would begin from this date of invocation of Guarantee as discussed above in light of the case of Pooja Ramesh Singh (Supra). Hence period of limitation would begin from 13.02.2018 in the present case. The Applicant Bank had issued statutory demand notice dated 31.08.2020 in terms of Rule 7 of Insolvency & Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process of Personal Guarantors to Corporate Debtor) Rules 2019 (Annexure 3 in RP's Report), demanding total outstanding debt of INR 12275,91,01,862/-. Respondent replied to the demand notice vide letter dated 15.09.2020 and raised various contentions as discussed above decided herein above.*

50. *Further, in current proceedings fair opportunity of hearing has been given to the Personal Guarantor – Respondent as required under the Law. While Personal Guarantor has raised multiple contentions, which we have discussed above, it has failed to produce anything to show that it has honoured its obligation under the Guarantee Agreement. Thus, we are of the view that this Application has satisfied all the conditions and is fit to be admitted.*

51. *Also the RP has stated that Application is complete and satisfies the requirement of Section 95 of the Code and has recommended in favor of the admission of Insolvency Proceedings against these Personal Guarantor. The RP's recommendation as given in supplementary report is extracted below:*

*11. In light of the aforesaid reasons, the undersigned states that after due consideration of all the submissions/objections raised by the Personal Guarantor, the undersigned is of the view that the present Application is maintainable as it meets the requirements of the Code and the Personal Guarantor Rules, as is provided in this report. Further, the undersigned sent an email dated May 10, 2024 to the Applicant asking them to confirm the outstanding liability of Personal Guarantor as on December 5, 2023, i.e. date of appointment of the undersigned as the Resolution Professional and the Applicant vide its email dated May 14, 2024 has confirmed that the outstanding liability as on December 5, 2023 (i.e. the date of pronouncement of the Order appointing Resolution Professional), is INR 11,497.89 Cr. which is more than the threshold limit prescribed in the Code. In view of the foregoing, this Hon'ble Tribunal may kindly be pleased to:*

- a) pass appropriate orders under Section 100 of the Code, "ADMITTING" the present application filed by State Bank of India through the Resolution Professional in CP No. 156 (PB)/ 2021
- b) declare "Moratorium" under Section 101 of the Code; and
- c) issue "Public Notice" for inviting the claims under Section 102 of the Code; and pass any such other orders as this Hon'ble Tribunal may deem appropriate in the interest of justice.

52. In view of above discussion, we are inclined to accept this report of the RP to admit the Personal Guarantor to Insolvency Resolution Process. Accordingly, the application filed is admitted under Section 100(1) of the Code.

53. The interim moratorium commenced upon filing of this Application is vacated and a fresh moratorium in terms of Section 101 of the Code shall commence. RP is directed to take all further steps in accordance with Part III, Chapter III of the Code.

54. The RP is directed to issue public notice on our behalf in terms of Section 102 and to invite the claims from the creditors at large. For this purpose, he will be paid a consolidated amount of ₹5,00,000/- (Rupees Five Lacs Only) by the Applicant Bank i.e., State Bank of India to meet the cost arising out of issuing public notice and inviting claims etc, with respect to both the connected matters viz. CP(IB)/156(PB)/2021 and CP(IB)/157(PB)/2021.

55. Copy of this admission order along with the report of RP be made available to Applicant Bank and all other creditors, if any in terms of Section 100(3) of the Code, by the RP.

56. **CP(IB)/156(PB)/2021 is Admitted.**

**IA-155/2024 and IA-2595/2024 are Disposed** of in terms of above order.

**IA-2266/2024** is Disposed of as per paragraph 36 of this order.

57. Copy of this order be also sent to IBBI by the Registry."

2. Indubitably, the repayment plan originally offered by the Debtor was not accepted by the Creditors. As can be seen from the voting result qua the original repayment plan, the Creditors could nixed the same with 87.11% vote share. The voting result as placed on record at page-317 of the application reads thus:

Personal Insolvency Resolution Process - Mrs. Aarti Singal						
E-VOTING RESULTS OF THE MEETING OF CREDITORS						
			Agenda Item No: B1 (Refer Note 1)	Agenda Item No: B1.1 (Refer Note 1)	Agenda Item No: B2 (Refer Note 2)	
Sr. No.	Name of Financial Creditor	Voting Share (%)	TO APPROVE THE FEE OF RP AND RPS SUPPORT FIRM INCLUDING OUT OF POCKET EXPENSES (PLUS APPLICABLE TAXES) FOR THE EXTENDED PERIOD FROM 05 APRIL 2025 TILL 04 SEPTEMBER 2025 FOR CARRYING OUT THE INSOLVENCY RESOLUTION PROCESS OF MRS. AARTI SINGAL TO FORM PART OF RESOLUTION PROCESS COST	TO APPROVE THE ADDITIONAL BUDGET OF FEE OF LEGAL COUNSEL FOR PROVIDING LEGAL SUPPORT SERVICES TO THE RP IN THE PERSONAL INSOLVENCY RESOLUTION PROCESS OF MRS. AARTI SINGAL	TO CONSIDER THE REPAYMENT PLAN SUBMITTED BY THE PERSONAL GUARANTOR	Mode of voting
1	State Bank of India	22.26%	Yes	No	No	E-voting
2	Punjab National Bank	16.96%	Yes	Yes	No	E-voting
3	Canara Bank	13.06%	No	No	No	E-voting
4	Union Bank Of India	7.25%	No	No	No	E-voting
5	Indian Bank	6.11%	Not Voted	Not Voted	Not Voted	Not voted
6	Assets Care & Reconstruction Enterprise Limited*	16.64%	Yes	No	No	E-voting
7	Bank of Maharashtra	3.05%	Not Voted	Not Voted	Not Voted	Not voted
8	IDBI Bank Limited	4.84%	No	No	No	E-voting
9	Life Insurance Corporation of India	3.66%	Yes	No	No	E-voting
10	UCD Bank*	1.67%	Yes	Yes	No	E-voting
11	Edelweiss Asset Reconstruction Company Limited - EARC Trust SC 328	1.05%	Not Voted	Not Voted	Not Voted	Not voted
12	ICICI Bank Limited	1.78%	Not Voted	Not Voted	Not Voted	Not voted
13	Punjab & Sind Bank	0.89%	Not Voted	Not Voted	Not Voted	Not voted
14	Jam Bank	0.77%	Yes	Yes	No	E-voting
<b>Total Percentage Voting FOR</b>			<b>61.31%</b>	<b>18.81%</b>	<b>8.89%</b>	
<b>Total Percentage Voting AGAINST</b>		<b>100%</b>	<b>25.14%</b>	<b>47.21%</b>	<b>87.11%</b>	
<b>Total Percentage NOT VOTED</b>			<b>13.89%</b>	<b>13.89%</b>	<b>13.89%</b>	
<b>Percentage Voting For out of voting cost by the representatives of the Creditors**</b>		<b>67.11%</b>	<b>71.14%</b>	<b>22.29%</b>	<b>0.89%</b>	
			<b>Carried</b>	<b>Not Carried</b>	<b>Not Carried</b>	

\*After voting on Agenda Item B1 has been commenced in the form of email communication.

\*\*UCD Bank have casted its vote-vote email on 01 September 2025, as they were facing some technical issues while voting from e-voting portal

Note 1 : As per Regulation 11(4) of the CIRP Regulations, any decision of the creditors (other than approval of the Repayment Plan) shall require approval of more than fifty percent of voting share of the creditors who voted.

Note 2 : As per Section 111 of the IBC, the repayment plan shall be approved by a majority of more than three-fourth in value of creditors present in person or proxy and voting on the resolution on the resolution for approval of the Repayment Plan.

Agenda:	
Agenda Item No: B1	<p>TO APPROVE THE FEE OF RP AND RPS SUPPORT FIRM INCLUDING OUT OF POCKET EXPENSES (PLUS APPLICABLE TAXES) FOR THE EXTENDED PERIOD FROM 05 APRIL 2025 TILL 04 SEPTEMBER 2025 FOR CARRYING OUT THE INSOLVENCY RESOLUTION PROCESS OF MRS. AARTI SINGAL TO FORM PART OF RESOLUTION PROCESS COST</p> <p>RESOLVED THAT the approval of the Creditors, in the Personal Insolvency Resolution Process of Mrs. Aarti Singal is hereby accorded, for monthly fees of Mr. Surendra Raj Gang (IBBI Reg. No. BBA/PA-0011P-P/1065/2017-2018/11773), Resolution Professional in the Personal Insolvency Resolution Process of Mrs. Aarti Singal amounting to INR 150,000/- (Indian Rupee One Lakh Fifty Thousand only) per month, plus Out of Pocket Expenses and applicable taxes on actual basis for the extended PRP period from 6 April 2025 till 4 September 2025, to be contributed by the Creditors in ratio of the admitted claims.</p> <p>RESOLVED FURTHER THAT the approval of the Creditors, in the Personal Insolvency Resolution Process of Mrs. Aarti Singal is hereby accorded, for fees of GT Restructuring Services LLP an IBBI Registered IPE with Reg. No. BBA/PE/0110, support service advisor to the Resolution Professional in the Personal Insolvency Resolution Process of Mrs. Aarti Singal, amounting to INR 150,000/- (Indian Rupee One Lakh Fifty Thousand only) per month, plus Out of Pocket Expenses and applicable taxes on actuals for the extended PRP period from 6 April 2025 till 4 September 2025, to be contributed by the Creditors in ratio of their admitted claims.</p> <p>RESOLVED FURTHER THAT Mr. Surendra Raj Gang, the Resolution Professional in the Personal Insolvency Resolution Process of Mrs. Aarti Singal be and is hereby authorized to do all such act, deeds and things as may be considered necessary to give effect to the above resolution."</p>
Agenda Item No: B1.1	<p>TO APPROVE THE ADDITIONAL BUDGET OF FEE OF LEGAL COUNSEL FOR PROVIDING LEGAL SUPPORT SERVICES TO THE RP IN THE PERSONAL INSOLVENCY RESOLUTION PROCESS OF MRS. AARTI SINGAL.</p> <p>RESOLVED THAT the consent of the Creditors in Personal Insolvency Resolution Process of Mrs. Aarti Singal be and is hereby accorded to the additional estimated budgeted cost of INR 5,00,000 (Indian Rupees Five Lakh only), which shall be utilized towards legal support required by RP as well as litigation support during the Personal Insolvency Resolution Process of Mrs. Aarti Singal."</p> <p>RESOLVED FURTHER THAT Mr. Surendra Raj Gang, the Resolution Professional in the Personal Insolvency Resolution Process of Mrs. Aarti Singal be and is hereby authorized to do all such act, deeds and things as may be considered necessary to give effect to the above resolution."</p>
Agenda Item No: B2	<p>TO CONSIDER THE REPAYMENT PLAN SUBMITTED BY THE PERSONAL GUARANTOR</p> <p>RESOLVED THAT pursuant to Section 111 of the Insolvency and Bankruptcy Code, 2016 read with the IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtor) Regulations, 2019, as amended, the Repayment Plan dated 19 June 2025 submitted by Mrs. Aarti Singal, be and is hereby considered and approved by the Creditors in the Personal Insolvency Resolution Process of Mrs. Aarti Singal. (Note - Voting 'yes' would mean approval on the repayment plan and 'No' means rejection of repayment plan)</p> <p>RESOLVED FURTHER THAT Mr. Surendra Raj Gang, the Resolution Professional in the Personal Insolvency Resolution Process of Mrs. Aarti Singal be and is further authorized to take all necessary steps and execute all necessary documents as may be required from time to time for the aforesaid purposes."</p>

3. Subsequently, in terms of the order dated 01.12.2025, we passed an order in terms of the provisions of Section 114(3) of the Code. Resultantly, the Debtor/Personal Guarantor offered fresh revised repayment plan. However, as can be seen from the decision taken by the Creditors in their meeting dated 06.12.2025, even revised plan is also rejected by the Creditors. The relevant excerpt of the resolution dated 06.12.2025 reads thus:

**Summary of Resolution Plans submitted by Mrs. Aarti Singal**

(Amount in INR)

S No	Particulars of Debt	Financial Proposal as per Repayment Plan dated 19 June 2025	Financial Proposal as per Repayment Plan dated 03 December 2025	Term of Proposal	Source of Funds
1	Cash for payment of PRRP Cost including Resolution Professional's fees/expenses	50,00,000	50,00,000	90 days	Borrowing from in laws and family members
2	Upfront Payment to Financial Creditors	Nil	2,00,00,000	90 Days	
2	Deferred Payment to Financial Creditors	136,26,48,339	136,26,48,339	365 days	Realization from investment in Equity shares (subject to actual realization) Stocks with Market Value INR 132.21 Crore are not traded on BSE and NSE.
3	Payment to Financial Creditors – EBITA of BPSL for the period from CIRP commencement date of BPSL till date of the submission of the Repayment Plan by the Personal Guarantor	18,682 crores	Nil	Not provided in the plan	
4	Payment to Financial Creditors Interest on delayed payment by JSW (Successful Resolution Applicant) to the creditors of BPSL	2,791 crores	Nil	Not provided in the plan	

The members considered and deliberated upon the financial proposal and the broad contours of the revised repayment plan. After deliberations in the meeting, it was unanimously agreed not to change the earlier decision taken by the financial creditors in the sixth meeting of creditors to reject the repayment plan.

The members took note of the same.

4. As can be seen from the provisions of Section 114(1) of IBC, 2016, this Tribunal need to pass order regarding the repayment plan on the basis of the report of Resolution Professional, based on the decision taken by the Creditors in terms of the provisions of Section 111/114(3) of IBC, 2016. As the Creditors could nix the repayment plan submitted in terms of the provisions of 105 of IBC, 2016 as also in terms of the provisions of 114(3) of the Code and with reference to the original decision taken by the Creditors to nix the repayment plan, the Resolution Professional has made recommendation for rejection of the repayment plan, we have no option but to accept the recommendation. The Resolution Professional has made the recommendation in the form of IA in para-19 and 43(b) of the application. Paras 19 and 43(b) of the application reads thus:

*"....19. As per the voting result on the aforesaid resolution, the Creditors holding 87.11% of the voting share (by value) who voted, aggregating to 100% of the voting members, have negatively voted on the below agenda for approval of the Repayment Plan.*

xxx

**PRAYERS**

43. In view of the foregoing, the Resolution Professional prays that this Hon'ble Tribunal may be pleased to:

(b) Take on record the present Report by the Resolution Professional under Section 112 of the Code; and”

5. In the wake of the decision taken by the Creditors and the recommendation made by the Resolution Professional, we have no option but to reject the original and revised repayment plan. Ordered Accordingly.

6. The PIRP process is closed. The Creditors would be entitled to resort to process in terms of the provisions of Section 115(2) of IBC, 2016 read with section 121 and 123 thereof. **The application stands disposed of. No costs.**

30. It is noted in para-2 & 3 of the order (ibid) that the repayment plan offered by the debtor (Personal Guarantor) was rejected by the creditors. It is the case of the Applicant that the requirement of Section 123 of IBC, 2016 are met. The list of documents enclosed with the application, as reflected in the index of the application, satisfy the requirements of Section 123. The relevant excerpt reads thus:-

7.	<b>ANNEXURE A-3</b> A copy of the amounts set out above are the amounts due as on 31.012026 under the personal guarantees issued by the Personal Guarantor guaranteeing the repayment of the debt of the Corporate Debtor availed from the Applicant/ Financial Creditor.	226-289
8.	<b>ANNEXURE A-4</b> A copy of the order dated 27.07.2017 passed in CP No. 202 of 2017	290-298
9.	<b>ANNEXURE A-5</b> A copy of the petition IB No. 156 of 2021 filed by State Bank of India	299-324
10.	<b>ANNEXURE A-6</b> A copy of the order dated 07.10.2024 passed in IB No. 156 of 2021	325-356
24.	<b>ANNEXURE A-13</b> A copy of the IA No. 4483 of 2025 in IB No. 157 of 2021 (CONT. VOL-11)	1759-1947
25.	<b>ANNEXURE A-13</b> A copy of the IA No. 4483 of 2025 in IB No. 157 of 2021	1948-2084
26.	<b>ANNEXURE A-14</b> A copy of the order dated 09.12.2025 passed in IB No. 156 of 2021	2085-2092

**31.** The statement under Section 123 (2) of the Code has been made in Part III of the Application, which reads thus:-

<b>16. Statement by the secured creditor under section 123(2) of the Code</b>	<input type="checkbox"/> In the event a bankruptcy order accepting the application is passed by the Adjudicating Authority, I shall relinquish my security mentioned in serial number 6 for the benefit of all the creditors of the debtor.
---	---

**32.** Since the repayment plan has been rejected by the creditors and the necessary order under Section 114 of the Insolvency and Bankruptcy Code, 2016 has been passed by this Tribunal, in terms of Section 115(2) of the Code, creditors are entitled to file an application for bankruptcy.

**33.** As per sub-sections (1) and (2) of Section 121 of the Code, an application for bankruptcy of PG needs to be filed by the creditor within a period of three months from the date of order passed by the Adjudicating Authority under Section 100(4) or Section 115(2) or Section 118(3) of IBC, 2016. In the present case, this Tribunal, vide order dated 09.12.2025 passed under Section 115(2) of the Code, had directed that the creditor may initiate bankruptcy proceedings against the personal guarantor. In compliance with the said direction, the creditor has preferred the CP IB 141/PB/2026.

**34.** The Applicant bank has proposed the name of the IP to be appointed as Bankruptcy Trustee. The details of the IP as mentioned in Part IV of the application, reads thus:-

PARTICULARS OF & DECLARATION BY INSOLVENCY PROFESSIONAL (IF PROPOSED TO ACT AS BANKRUPTCY TRUSTEE)				
1.	Title and full name	MR. SURENDRA RAJ GANG		
2.	Address	Present	Permanent	Business
		GT Restructuring Services LLP, L-41, Connaught Circus, New Delhi – 110001	GT Restructuring Services LLP, L-41, Connaught Circus, New Delhi – 110001	GT Restructuring Services LLP, L-41, Connaught Circus, New Delhi – 110001
3.	E-mail address(es)	<u>Surendra.Raj@IN.GT.COM</u>		
4.	Contact number	Home	Mobile	Business
		+91 - 97173 90678	+91 - 97173 90678	+91 - 97173 90678

35. In the wake, the requirement of Section 123 (4) of the Code has been satisfied.

36. The Applicant has proposed the name of the Bankruptcy Trustee. The declaration given by Mr. Surendra Raj Gang (IP), confirming that no disciplinary proceedings are pending against him is mentioned in the application, relevant excerpt of which reads thus:-

5.	Declaration by insolvency professional	<p>I, Surendra Raj Gang, an insolvency professional registered with Indian Institute of Insolvency Professionals of ICAI, having registration number IBBI/IPA-001/IP-P01066/2017-2018/11773 have been proposed as the insolvency professional by Punjab National Bank in connection with the proposed bankruptcy process of Mr. Sanjay Singal. I hereby:</p> <p>(i) agree to accept appointment as the insolvency professional if an order of appointment is passed by the Adjudicating Authority;</p> <p>(ii) state that the registration number allotted to me by the Board is IBBI/IPA-001/IP-P01066/2017-2018/11773</p>
		<p>and that I am currently qualified to practice as an insolvency professional;</p> <p>(iii) disclose that I am currently serving as an insolvency professional / resolution professional / liquidator/</p>

	<p>bankruptcy trustee in two proceedings, the details of the same are as follows;</p> <p>a. Liquidator in the Voluntary Liquidation Process of Yapapp India Private Limited</p> <p>b. Resolution Professional in the Personal Insolvency Resolution Process of Mr. Manoj Gaur</p> <p>(iv) certify that there are no disciplinary proceedings pending against me with the Board or Indian Institute of Insolvency Professionals of ICAI;</p> <p>(v) affirm that I am eligible to be appointed as an insolvency professional in respect of the debtor in accordance with Regulation 3 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019;</p> <p>(vi) there are no disclosures required to be made in accordance with the code of conduct for insolvency professionals as set out in the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016</p>
--	---

In the aforesaid facts and circumstances, we order the Bankruptcy of Personal Guarantor i.e., Ms. Aarti Singal, in terms of the provisions of Section 126 of IBC, 2016.

**37.** The Registry is directed to provide a copy of this Order as also copy of the Bankruptcy Petition to the creditor(s) and bankruptcy trustee within a week as provided in Section 126 (2) of IBC, 2016.

**38.** As mandated under Section 127 of the Code, this order of Bankruptcy shall continue to have the effect till the debtor is discharged under section 138 of IBC, 2016.

**39.** 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, as required under Section 129 of IBC, 2016.

**40.** By operation of the provisions of Section 128 and 154 of the IBC, 2016, 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 would vest with the Bankruptcy Trustee. The Bankruptcy Trustee, in pursuance of this order, 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.

**41.** The Bankruptcy Trustee is directed to adhere to Section 128, 129 (4), 132, 133, 134, 135, 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. Besides, the Bankruptcy trustee would perform his duty and function as provided in Section 149, 150, 157, 159, 164, 165, 166 and 167 of the Code.

**42.** The Bankruptcy Trustee would be entitled to exercise the right and general power as provided in Section 151 and 152 of the Code.

**43.** The Bankrupt, his banker or agent or any other person having possession of his property, books, papers, or other records which the Bankruptcy trustee is required to take possession for the purpose of the Bankruptcy process shall deliver the said property and documents to the Bankruptcy Trustee as per provisions of Section 157 of IBC, 2016.

**44.** The Bankruptcy Trustee would also ensure the compliance of all the provisions of IBC, particularly those contained in Chapter IV and V thereof.

**45.** The Bankrupt Trustee shall send public 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 as also to the creditors mentioned in the captioned application.

**46.** The Public Notice inviting claims from the creditors as contemplated under section 130(2) of the Code shall be issued in two leading newspapers, one in English and one in vernacular newspaper having wide circulation where the bankrupt resides.

**47.** On passing of the Bankruptcy order but subject to sub-section (2) of 128 of the Code, no action shall be initiated 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 this Adjudicating Authority as provided in Section 128(1)(c) of the Code and on such terms as this Adjudicating Authority may impose.

**48.** The Bankrupt Trustee shall conduct the administration of distribution of estate of bankrupt under Chapter V as provided in Section 136 of the Code.

**49.** The Bankrupt shall from the date of this order be subject to such disqualifications and restrictions as prescribed under Sections 140 and 141 of the Code.

**50.** 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.

**51.** The Bankruptcy Trustee shall exercise all the powers as enumerated under the Code read with Rules and Regulations made thereunder.

**52.** The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a preliminary report within ninety days from the date of this 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.

**53.** 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.

**54.** 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) Regulations, 2019. The Bankruptcy Trustee would also show due deference to the provisions of Section 169 of IBC, 2016.

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

**56. Accordingly, IA No. 1944/ND/2026 is disposed of in the aforesaid terms. Consequent upon the disposal of the said application and the directions issued herein, IA No. 1891/ND/2026 also stands disposed of.**

**Sd/-**

**(ATUL CHATURVEDI)  
MEMBER (T)**

**Sd/-**

**(ASHOK KUMAR BHARDWAJ)  
MEMBER (J)**