

IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ

CP (IB) NO.42/ALD/2026

*(Application Under Section 94(1) Of The Insolvency and Bankruptcy Code, 2016
Read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating
Authority for Insolvency Resolution Process for Personal Guarantors to
Corporate Debtors) Rules, 2019.)*

IN THE MATTER OF:

TILAK RAJ SHARMA

Son of Chandra Bhan Sharma

Residing at: Ward No. 03 Rambhawan,

Teh-Bazpur, Udham Singh Nagar, Uttarakhand - 262401

Email: sharmavideosbzip@live.com

... APPLICANT/GUARANTOR

VERSUS

STATE BANK OF INDIA

Having its Office At:

Stressed Asset Recovery Branch, 2nd Floor,

Ajeet Complex, Saharanpur Road, Dehradun - 248001

Email: agmsarb.dehradun@sbi.co.in

... RESPONDENT NO. 1

SHARMA VIDEOS PRIVATE LIMITED

Through Director

HAVING ITS REGISTERED OFFICE AT:

Sharma videos, main road, Bazpur, Uttarakhand - 262401

Email: casachin.ksp46@gmail.com

... RESPONDENT NO. 2

Order Pronounced On: 30.06.2026

Coram:

Mr. Praveen Gupta

:

Member (Judicial)

Mr. Ashish Verma

:

Member (Technical)

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Appearances:

Sh. Deepak Garg Adv. : For the Applicant/ Guarantor
Sh. Sandeep Arora Adv. : For the State Bank of India

ORDER

1. Under consideration is an application filed on 17.03.2026 under Section 94 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as “the Code”) r/w Rule 6(1) of the Insolvency and Bankruptcy Code (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 (hereinafter referred as “PG Rules”) in Form A inter-alia praying for initiating the Personal Insolvency Resolution Process (hereinafter referred to as “PIRP”) against Mr. Tilak Raj Sharma, Personal Guarantor to the Corporate Debtor, M/s Sharma Videos Private Limited.
2. The facts of the case are that various loan facilities were extended by the State Bank of India (hereinafter referred as “Respondent Bank”) to M/s Sharma Videos Private Limited (hereinafter referred as “Corporate Debtor”) between 2015 and 2020 which were also secured by guarantee furnished by the Personal Guarantor, viz., Tilak Raj Sharma.
3. However, the Corporate Debtor failed to maintain the required financial discipline and committed default in the payment of interest/ installment,

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which eventually lead to the classification of its account as a Non Performing Asset (NPA) on 27.06.2021.

4. As a result of failure of the Corporate Debtor to pay the interest/ installments, the Respondent Bank issued a notice dated 14.07.2021 u/s 13(2) of SARFAESI Act, thereby invoking the guarantee and directing the Corporate Director as well as the Personal Guarantor to make the adequate payments within 60 days from the date of receipt of the said notice.
5. It is submitted that the Personal Guarantor has proposed four OTS proposal to the Respondent bank vide letter dated 18.02.2025, 21.03.2025, 18.09.2025 and 28.11.2025 respectively, however, the Respondent Bank had rejected the initial two proposals and had not given any response to the latter ones. It is also submitted that the Corporate Debtor has made payment of Rs. 15 Lakhs in tranches on various dates from 17.02.2025 to 17.09.2025 in discharge of the outstanding dues to the Respondent Bank. Copy of OTS proposals submitted by the Applicant to the Respondent Bank are annexed as Annexure A-3, A-4, A-5 and A-6 respectively.
6. In compliance with the order of this Tribunal dated 10.04.2026, the Personal Guarantor herein, have filed an IA No. 287//ALD/2026 to further apprise this Tribunal about the proceedings in O.A. No. 494/2021 pending against the Corporate Debtor before the Ld. Debt Recovery Tribunal, Dehradun. It is

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submitted that recovery certificate was issued by the Ld. DRT vide its order dated 23.11.2022 and in this regard, the Applicant/ Personal Guarantor has also placed on record the orders dated 17.04.2023, 06.10.2025 and 13.11.2025 respectively of the Ld. DRT, Dehradun in the recovery proceeding bearing R.C. No. 516/2022 (O.A. No. 494/2021) along with the detailed account of the properties sold in pursuance to the Ld. DRT order dated 13.11.2025. The said IA was accordingly allowed by this Tribunal and the matters were taken on record vide its order dated 12.05.2026.

7. Pursuant to the liberty granted by this Tribunal vide order dated 12.05.2026, the Applicant/ Personal Guarantor has submitted a written submission vide diary no 1134 dated 26.05.2026 and has relied upon the judgement of NCLT, Mumbai Bench in *C.P. (IB) No. 417/MB/2022* titled as *Mr. Shreeprakash Nandkishore Gupta* and NCLT, Indore Bench in *C.P. (IB) No. 76/ALD/2022* titled as *Ramdhari Mittal vs. M/s Omkara Assets Reconstruction Private Limited through Assistant Vice President and Others* to contend that pendency of recovery proceedings under the SARFAESI Act or before the Debts Recovery Tribunal do not constitute a statutory bar for initiation of proceedings under Section 94 of the Code.
8. During the course of argument, the Ld. Counsel representing the Financial Creditor has also put in appearance and vehemently contested about the

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maintainability and bona fide of the present application filed under section 94 of the Code by the Personal Guarantor who has defaulted in repayment of the loan amount. It was also pointed out by the Ld. Counsel representing the Financial Creditor that the present proceedings are intended to circumvent and evade the recovery proceeding pending before the Ld. DRT by taking benefit of Section 96 of the Code.

9. However, without entering into merits of the submission at this stage, we deem it appropriate to appoint RP for filing its report and the Financial Creditor would have liberty to raise all possible objections/ challenge to the RP's Report at the relevant stage.
10. In Part IV of the application, the Applicant/ Personal Guarantor has proposed the name of Mr. Vinay Kumar Singhal having Registration No. IBBI/IPA-002/IP-N00624/2018-19/11880, to act as the Resolution Professional in connection with the insolvency resolution process of the Applicant/ Personal Guarantor. The written consent of the proposed RP is annexed as Annexure A-10 with the application.
11. In view of the judgement of the Hon'ble Supreme Court in **Dilip B Jiwrajka-Vs- Union of India & Ors. in Writ Petition (Civil) No 1281 of 2021** wherein it is held that no judicial adjudication is involved at the stages envisaged in Sections 95 to 99 of the Code and considering that the liability

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of a Corporate Debtor being the Principal Borrower and the Guarantor is coextensive and such liability being further crystallised under a recovery certificate dated 23.11.2022, we hereby appoint Mr. Vinay Kumar Singhal, having Registration No. IBBI/IPA-002/IP-N00624/2018-19/11880, R/o 411, Fourth Floor, Essel House, Asaf Ali Road, Near Turkman Gate, National Capital Territory of Delhi-110002 Email-id:- vinaysingh.ip@gmail.com as Resolution Professional in exercise of the power conferred under section 97(3) r/w Section 97(5) of the IBC, 2016. The verification of the said RP has been carried out by Law Research Associate of this Tribunal Mr. Prayash Mishra and it was found that there is no proceeding pending against the RP. Upon verification from the website of IBBI, it is found that RP hold valid authorization till 31.12.2026. The RP is directed to file his consent and declaration within seven days from the date of receiving of this order to the effect that he fulfills all the requirements for being appointed as Resolution Professional in the matter.

12. On filing of this Application by the Applicant/Financial Creditor, the interim moratorium commences in terms of section 96(1)(a) of IBC, 2016. It is settled law that on filing of Application, Resolution Professional (hereinafter referred as 'RP') is appointed for submission of Report u/s 99 and at this stage, no judicial adjudication is involved in dealing with section 95 to Section 99 of IBC, 2016.

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- 13.** The Resolution Professional is directed to examine the application as set out in Section 99(6) of IBC, 2016 who after examining, may recommend for the acceptance / rejection of the application as provided under Section 99(7) of INC, 2016, within a period of 10 days as contemplated under Section 99(1) of IBC, 2016. And the matter is listed for 14.07.2026 for further proceedings.
- 14.** The Applicant is directed to serve copy of the application and the order on the Interim Resolution Professional.
- 15.** A copy of the Report by the RP U/s 99 to be filed, shall be forthwith provided to the Personal Guarantor and Financial Creditors of the petitioner. The RP is also entitled to take into account all the documents, which are already part and parcel of the petition as also the documents further be required from the Financial Creditor.

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Ashish Verma
Member (Technical)

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Praveen Gupta
Member (Judicial)

Date: 30.06.2026