

IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH, (COURT NO.-II)
KOLKATA

I.A.(I.B) 431/KB OF 2025

In

C.P.(I.B) 204/KB OF 2023

*An Application Under Section 112 Of The Insolvency And
Bankruptcy Code, 2016 to bring on record the report prepared by
the Resolution Professional in respect of meeting of creditors
held in respect of repayment plan*

IN THE MATTER OF

Mr. Sanjit Kumar Nayak, The
Resolution Professional of Mr.
Manoj Kumar Sharma, PG to M/s
Aristo Texcon Pvt having
Registration Number:
1881/IPA-003/IP-N00059 2017 -
18/10702 and having his office at
30E, Haramohan Ghosh Lane, Flat
2B, Suryadeep, Beliaghata,
Kolkata- 700085

...Resolution Professional/Applicant

AND

IN THE MATTER OF

Mr. Manoj Kumar Sharma, Personal
Guarantor to M/s. Aristo Texcon

Case Citation: (2026) ibclaw.in 2398 NCLT
IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT NO. II
KOLKATA

I.A.(IB) NO. 431/KB/2025
In
C.P.(IB) No. 204/KB/2023

Private limited (Corporate Debtor). Rosedale Garden Complex Tower-3, Flat-7B, Action Area - III, Newtown, North 24 Parganas West Bengal- 700156

...Personal Guarantor

Date of Pronouncement: 22.6.2026

CORAM:

MR. LABH SINGH, HON'BLE MEMBER (JUDICIAL)
MS. REKHA KANTILAL SHAH, HON'BLE MEMBER (TECHNICAL)

Present:

Ms. Tannya Baranwal, Adv.] for Financial Creditor
Ms. Vansika Khaitan, Adv.]
Mr. Shaunak Mitra, Adv.] For RP

Ms. Namrataan Basu, Adv.]
Mr. Sanjit Kr. Nayak, Adv.]
Mr. P.P. Bishwal, Adv.] For Personal Guarantor

O R D E R

(Heard through hybrid mode)

Per: Labh Singh, Member(Judicial)

1. This present application has been preferred under 112 of the Insolvency and Bankruptcy Code, 2016, (hereinafter referred to as 'IBC') by Mr Sanjit Kumar Nayak, Resolution

Professional having registration no. 1881/IPA-003/IP-N00059
2017 - 18/10702 of the Personal Guarantor , Mr Manoj Kumar
Sharma (hereinafter referred to as 'PG'), praying for the
following reliefs:

*a) To accept and place on record the Report filed by
the Applicant under the provisions of Section 112
of the IBC for placing on record the report of the
meeting of Creditors on the Repayment Plan received
from the PG and to pass appropriate directions
and/or orders under Section 114 of IBC.*

*b) Any other directions which this Tribunal may deem
fit in the facts and circumstances of the matter.*

2. The PG, being promoter and ex-Director of the Corporate Debtor, had given personal guarantee to repay loan availed by the Corporate Debtor. Consequent upon default committed by the Corporate Debtor to repay the loan amount, loan account of the Corporate Debtor classified as Non-performing Assets (NPA) and the CIRP process under Section 10 of IBC was initiated against the Corporate Debtor and subsequently successful resolution plan submitted by M/S Jagannath Financial Advisory Pvt. Ltd. Was approved by the NCLT ON 20.08.2029 in the case of CP (IB) No. 570/KB/2018.

3. Mr Manoj Kumar Sharma, being the Personal Guarantor, filed an application under Section 94(1) of the IBC, read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, vide Case No. 204/KB/2024 on 12.09.2023, seeking initiation of Insolvency Resolution against himself.
4. This Tribunal, while admitting the above application on 25.01.2024, appointed Sanjit Kumar Nayak, the present applicant, as the Resolution Professional, with direction to submit the report under Section 99 of the IBC. Pursuant to the order the Adjudicating Authority date 25.01.204, the applicant submitted the report under Section 99(1) of the IBC before this Tribunal in 20.02.2024. Based on the report, this Tribunal admitted the application based on the report of the Resolution Professional. The applicant was directed to proceed as per the sections of the IBC.
5. After publishing public notice, in accordance with Section 102 of the IBC, inviting claims from creditors, the Resolution Professional received the following claims from the Financial Creditors:

a) North Eastern Development Finance Corporation Limited (NEDFI), Address: NEDFI House, G. S. Road, Dispur, Assam, 781006 and

b) Punjab National Bank, Address: ZONAL SASTRA, 1st Floor, Punjab National Bank, Guwahati Zone, H. B. Road, Pan Bazar Guwahati-781001.

6. Thereafter, the list of creditors was prepared and forwarded to the PG for claim amount, admitted amount and security interest verification and information. On 30.08.2024, submitted Repayment Plan but this report did not satisfy the creditors and the PG was asked to enhance the same. Following this, on 15.11.2024, the Resolution Professional submitted a revised Repayment Plan and the same was considered in the meeting of the Creditors held on 19.11.2024.

7. That accordingly, NEDFI and Punjab National Bank submitted their ballots on 02.12.2024 and 10.12.2024 respectively on 09.12.2024, Canara Bank, holding the majority share of voting rights, asked for an Asset Tracing Report before its assent to the Repayment Plan even though the same Plan was approved on 19.11.2024 in the meeting held.

8. It was reported in the meeting of the Creditors held on 07.01.2025 that the Professional hired for the Asset Tracing

Report was unable to provide any details on the same despite lapse of 58 days. Following which, this issue was treated as closed. Thus, the Repayment Plan, with a value of Rs 2.28 crore was unanimously approved.

9. Due to an unforeseen delay, the Resolution Process cost as envisaged in the final Repayment Plan dated 15.11.2025 was not sufficient. Thus, in another meeting dated 29.01.2025, the Resolution Process cost was enhanced from Rs 3,00,000/- to Rs 5,37,918/-. This was ratified by the Creditors as per Section 111 of the IBC. (Annexure 'A' of the IA).
10. The Adjudicating Authority heard this IA and deliberated, thus passing an Order dated 13.06.2025.
11. In this order, the Tribunal noted and emphasised on the issue of the Asset Tracing Report as asked by Canara Bank, one of the Financial Creditors. Mr. Virender Pal Business Head of CRUX was appointed for asset tracing with a request to report within 10 days. However, no report received despite following him on phone and email communication. CRUX could not submit the requested report even after lapse of 58 days, thus the Creditors considered that issue closed.
12. Section 112 provides for Report of Meeting of Creditors on Repayment Plan and Section 114 contemplates Order of

Adjudicating Authority on Repayment Plan, which is as follows:

“114. Order of Adjudicating Authority on repayment plan.- (1) The Adjudicating Authority shall by an order approve or reject the repayment plan on the basis of the report of the meeting of the creditors submitted by the resolution professional under section 112: Provided that where a meeting of creditors is not summoned, the Adjudicating Authority shall pass an order on the basis of the report prepared by their solution professional under section 106.

(2) The order of the Adjudicating Authority approving the repayment plan may also provide for directions for implementing the repayment plan.

(3) Where the Adjudicating Authority is of the opinion that the repayment plan requires modification, it may direct the resolution professional to re-convene a meeting of the creditors for reconsidering the repayment plan.”

13. It was noted by this Tribunal that in the case of **Kalyani Transco Vs. M/s Bhushan Power and Steel Pvt Ltd 2025 SCC Online SC 1010**, the Hon’ble Apex Court held that:

“73. The position of law, propounded by this Court is that commercial wisdom of CoC means a considered decision taken by the CoC with reference to the commercial interest, the interest of revival of Corporate Debtor and maximization of value of its assets. This wisdom is not a matter of rhetoric but is denoting a well considered decision by the CoC as the protagonist of CIRP. The CoC therefore has to take into consideration the mandatory requirements of the Code as well as the Regulations framed by the Board, and to see that the Insolvency Resolution of the Corporate Debtor is completed in a time bound manner and for maximization of value of assets of the Corporate Debtor.”

14. Thus, this Tribunal was of the view that the *“commercial wisdom of the CoC is supreme but it should not be interpreted as a reason to disregard the law and regulations. The rights of all the stakeholders without ascertaining the status of the entire property of the Corporate Guarantor should be thrown away in an arbitrary manner. In the instant case, the conduct on the part of the Resolution Professional and CoC after opting to take Asset Tracking Report turn round and ignore the same on the*

pretext that CRUX is not submitting the report is unexpected; and hence, the repayment plan under Section 114 of the IBC Code cannot be approved without taking Asset Tracking Report of an expert agency.”

15. Thus, the Tribunal considered the Asset Tracing report as necessity. In this case the appointed professional, CRUX, could not deliver, but then the Resolution Professional was ‘duty bound’ to depute another agency for the report.
16. This Tribunal was of the view that the conduct of the Resolution Professional and the Creditors to turn away from the Asset Tracing Report merely on delay and no communication from the hired agency was ‘unexpected’.
17. The Resolution Professional was directed to hire another expert agency for the Asset Tracing report for the assets of the PG. It was directed that the report should be placed before the CoC and The Repayment Plan was to be revisited and reconsidered.
18. On 28.07.2025, the applicant filed a Supplementary Affidavit following the directions of this Tribunal. Thus, EDCI, Kolkata was appointed as the expert agency for the Asset Tracing Agency on 23.06.2025. On 09.07.2025, EDCI submitted its Executive Investigating Report to the Resolution Professional.

19. This report was sent to the Creditors. On 11.07.2025, meeting of the Creditors was held to comply with the order of revisiting the Repayment Plan after the Asset Recovery report was formulated and distributed among the Financial Creditors.
20. The Asset Tracing report was accepted by the creditors and it was resolved that in the event of no new asset discovered, the Repayment Plan dated 15.11.2024 was approved once again without any revisions, with 100% majority. This is evident from the Minutes of the Sixth Meeting of the Committee of Creditors (Annexure-6 of the IA) that the committee of creditors with 100% majority approved the repayment plan dated 15.11.2024. The extract of the same is produced below for reference:

“RESOLVED THAT the complete Revised Payment Plan dated 15.11.2024 submitted by Mr Manoj Kumar Sharma – Personal Guarantor to M/S Aristo Texcon Private Limited (CD) after considering the Executive Investigation Report dated 09.07.2025 submitted by EDCI, Kolkata be and is hereby approved in full by the CoC members with 100% voting rights.”

21. The salient features of the Repayment Plan are as follows:

a) Summary of repayment:

Sl. No.	Repayment Plan and accepted by the CoC with 100% votings	Amount (Rs.)	Page No. in the Repayment Plan
1.	Resolution Process Cost	5,00,000	24
2.	Secured Financial Creditor	1,65,00,000	24
3.	Unsecured Financial Creditor	60,00,000	24
	Total	2,28,00,000	25

b) Sources of Funding for the Plan:

Sl. No.	Source of Funds	Mode of Infusion	Value in Lakhs (Rs.)
1.	Personal Income	10% of his personal income after deducing the reasonable expenses to be	0.78

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		incurred for meeting his basic livelihood needs. (6500*12)	
2.	7.5 bigha land in which guarantor holds 10% ownership title	By taking personal borrowing/loans from their relative or friends by mortgaging his lands	15.00
3.	Flat 7B, 7 th Floor situated at Rosedale Garden Complex along with 2 parking space 600 & 601 admeasuring to 2231 sq .ft along with 228 sq. ft, terrace together with	By taking personal borrowings/loans from their relative or friends by mortgaging his property (It shall be utilised towards	165.00

	proportionate common share of undivided 16.32 acres in which the guarantor holds 50% ownership title.	the payment of the Secured Creditors.)	
4.	Investment in Mutual Funds	Through sale of investments	4.44
5.	Investment in Equity Shares	Through sale of investments	2.89
6.	Bank Account		0.21
7.	Unsecured Loan	From their relative or friends	39.68
		Total Funds	

c) Details of the excluded assets and debts as claimed are

Excluded Debts: NIL

Excluded Assets:

1. Unencumbered tools, books, vehicles and other equipment

- NIL

2. Unencumbered furniture/household equipment - Rs 50,000/-
 3. Any unencumbered personal ornaments up to Rs 1 lakhs -
Rs 90,000/-
 4. Life Insurance Policy or Pension Plan (Including his immediate family) - NIL
 5. Single Dwelling Unit owned by the Debtor up to Rs. 20 Lakhs - NIL
22. A checklist in terms of the Regulation 17 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 is also included in the application. The satisfaction of this Adjudicating Authority with respect to compliance with the provisions of the Code and Regulations is recorded below:

Provision	Purport	Reference in the Plan
Section 105(2)	The Repayment Plan may authorise or require the resolution professional to- a. Carry on the debtor's business or trade on his behalf or in his name; or	Refer to Chapter X

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	<p>b. Realise the assets of the debtor; or</p> <p>c. Administer or dispose of any funds of the debtor.</p>	
Section 105(3)(a)	Justification for preparation of such repayment plan and reasons on the basis of which the creditors may agree upon the plan	Refer Claus (d) of Point No. 5 of Chapter No. VIII
Section 105(3)(b)	Provision for payment of fee to the resolution professional	Refer to Point No. 1 of Chapter VIII
Regulation 17(1)(a)	The term of repayment plan and its implementation schedule, including the amounts to be repaid and dates of repayment to creditors	Refer Chapter IX
Regulation 17(1)(b)	The source funds that will be used to pay resolution process costs and that payment shall to be made priority over any creditor	Refer Clause (c) of Point No. 5 of Chapter No Chapter No. VIII
Regulation 17(1)(c)	A minimum budget for the duration of the repayment plan to cover the	Refer Chapter V

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	reasonable expenses of the guarantor and members of his immediate family to the extent they are dependant on him, provided that at least ten percent of the realisable income of the guarantor shall be utilised for repayment of debts	
Regulation 17(1)(d)	Financing required for implementation of the repayment plan	Refer Clause (c) of Point No. 5 of Chapter No VIII
Regulation 17(1)(e)	If the guarantor has any business, the manner in which it is proposed to be conducted during the course of the repayment plan, and the role of the resolution professional	Refer Clause (vi) of Chapter X
Regulation 17(1)(f)	The manner in which funds held for the purposes of repayment plan, invested or otherwise dealt with, pending repayment to creditors.	Refer Step 3 of Clause B under Chapter VIII
Regulation 17(1)(g)	The functions which are to be undertaken by the resolution professional	Refer Clause (a) of Point No. 5 under

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	including supervision and implementation of the plan	Chapter VIII and Chapter IX
Regulation 17(1)(h)	Variation of onerous terms of a contract or transaction involving the guarantor	NA
Regulation 17(1)(i)	The details of the excluded assts and debts of the guarantor	Refer Chapter VI
Regulation 17(1)(j)	Terms and conditions for the discharge of the guarantor	Refer Chapter XII
Regulation 17(2)(a)	Transfer or sale of all or part with assets of the guarantor along with the mode and manner of such sale	Refer clause (f) of Point No. VIII
Regulation 17(2)(b)	Administration or disposal of any funds of the guarantor	NA
Regulation 17(2)(c)	Satisfaction or modification of any security interest	Refer Clause (h) of Point No. 5 of Chapter VIII
Regulation 17(2)(d)	Reduction in amount payable to creditors	Refer Clause (i) of Point No. 5 of Chapter VIII

Regulation 17(2)(e)	Curing or waiver of any breach of debt due from the guarantor	Refer Clause (j) of Point No. 5 of Chapter VIII and Chapter XII
Regulation 17(2)(f)	Modifications in terms of repayment of any debt due from the guarantor	Refer Clause (k) of Point No. 5 of Chapter No. VIII
Regulation 17(2)(g)	Part of the income of the guarantor to be used for the repayment of the debt, and the manner of calculating the income of the guarantor	Refer Chapter V
Regulation 17(2)(h)	The manner in which funds held for the purpose of repayment to creditors, and not so repaid at the end of the repayment plan, are to be dealt with	Refer Clause (c) of Point No. 5 of Chapter No. VIII

23. In issuance of this, the Supplementary Affidavit is accepted and placed on record to form a part and parcel of the IA (IB) No. 431/KB/2025.

24. As apparent from the report of the Resolution Professional, the creditors have in their meeting convened by the former approved the repayment plan. From the provisions of Section 114 the IBC, it is clear that this Adjudicating Authority has to approve or

reject the plan on the basis of the report of the meeting of the creditors. Thus, we allow the report of the RP, recommending the approval of the Plan. We have perused the plan and verified that compliance thereof with provisions of the IBC and the Personal Guarantor Regulations and have not found any impediment in approving the same. Thus, we are inclined to approve the plan and put it on record as prayed the Applicant.

25. Accordingly, the Repayment Plan, dated 15.11.2024, of Rs 2,28,00,000/- and with a term of 60 days, from the date of this Order is approved, with the following directions:

a) The Resolution Professional shall supervise the implementation of the Repayment Plan as per the terms and conditions mentioned therein, including opening and operation of escrow account in the name of the PG, receive funds from sources earmarked under the Plan in the escrow account and distribute the funds to the creditors therefrom.

b) The Resolution Professional shall file his final report soon after the implementation of the Plan or upon completion of the timelines mentioned in the plan, whichever is earlier.

c) Upon completion of the Plan, the Resolution Professional shall comply with the provisions stated in Section 117 of the IBC. As per the Repayment Plan (Annexure-6 of IA), the Resolution Professional will forward the relevant documents

- to all the creditors, debtors (bound by the Repayment Plan) and this Adjudicating Authority within 14 days.
- d) On full impletion of the Plan, Resolution Professional, the Personal Guarantees given by the PG shall be released by the Financial Creditors.
- e) The Debtor is permitted to share a certified copy of this Plan and order of this Tribunal approving this Plan with third parties including statutory/government authorities as needed.
- f) The approval of the Plan shall not be construed as waiver of excluded debts as defined u/s 79(15) if any. Nevertheless, we specifically record that if any liability arises in the future, they shall be strictly dealt with by the PG in accordance with law.
- g) The Resolution Professional, shall forward all the records pertaining to the Insolvency Resolution Process against the PG to IBBI.
- h) The Registry is hereby directed to send copies of the order forthwith to the IBBI, all the parties and their Ld. Counsel for information and for taking necessary steps.
- i) Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

26. Accordingly, CP (IB) No. 204/KB/2023 remains admitted and IA (IB) No. 431/KB/2025 is allowed and disposed of.

Rekha Kantilal Shah
Member(Technical)

Labh Singh
Member(Judicial)

T.Roy (LRA)