IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.304
C.P.(IB)/357(AHM)2025

Under Section 94 IB Code, 2016

IN THE MATTER OF:
Hirenkumar Sureshbhai Patel ....**Applicant**
V/s
State Bank of India & Ors ....**Respondent**

ITEM No.305
IA/37AHM)2026
in
C.P.(IB)/357(AHM)2025

Under Section 99 IB Code, 2016

IN THE MATTER OF:
Dakshesh Pravinchandra Choksi IRP of PG Rashmina Hirenkumar Patel ....**Applicant**
V/s ....**Respondent**
Mr. Hirenkumar Sureshbhai Patel PG of Panshul Agro Food LLP & Ors

ITEM No.306
C.P.(IB)/358(AHM)2025

Under Section 94 IB Code, 2016

IN THE MATTER OF:
Rashmina Hirenkumar Patel ....**Applicant**
V/s
State Bank of India & Ors ....**Respondent**

ITEM No.307
IA/36AHM)2026
in
C.P.(IB)/358(AHM)2025

Under Section 99 IB Code, 2016

IN THE MATTER OF:
Dakshesh Pravinchandra Choksi IRP of PG Rashmina Hirenkumar Patel ....**Applicant**
V/s ....**Respondent**
Mr. Rashmina Hirenkumar Patel PG of Panshul Agro Food LLP & Ors

Order delivered on: 20/07/2026

CORAM:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

COMMON ORDER
(Hybrid Mode)

The case is fixed for pronouncement of the order. The common order is pronounced in the open court, vide separate sheet.

—— SD ——

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

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

C.P. (IB) No.357/NCLT(AHM)2025
With
I.A. No.37/NCLT(AHM)2026

Filed under Section 94(1) of the Insolvency & Bankruptcy Code, 2016

C.P. (IB) No.357/NCLT(AHM)2025

In the matter of **Hirenkumar Sureshbhai Patel**

Hirenkumar Sureshbhai Patel
16, Vrundavar Bungalows Part 2,
Opp. Madhuvan Farm, Thaltej,
Ahmedabad city, Bodakdev,
Ahmedabad, Gujarat-380054

...Applicant/Personal Guarantor

VERSUS

1. **State Bank of India**
Stressed assets Management Branch,
4th Floor, Old LHO Building,
Lal Darwaja, Bhadra, Ahmedabad-380001

2. **Yes Bank Limited**
Yes Bank House, Off Western Express Highway,
Santacruz East, Mumbai-400055

3. **IDFC First Bank Limited**
Naman Chambers, C-32, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051, India

4. **SMFG India Credit Company Limited**
Regd. Office at Commerzone IT Park,
Tower B, 1st Floor, No. 111, Mount Poonamallee Road

Porur, Chennai, Tamil Nadu, India-600116
And
Corporate Office at Maker Maxity,
10th Floor, office No. 101, 102&103,
North Avenue, Bandra Kurla Complex,
Bandra East, Mumbai, Maharashtra-400051

5. **Godrej Finance Limited**
Regd. Office at Godrej One, Pirojshanagar,
Eastern Express Highway, Vikhroli East,
Mumbai-400079
And
Branch Office at
R-5, Green Park (Main) Near Haldiram,
Delhi-110016

6. **L&T Finance Limited**
Regd. Office at Brindavan,
Plot No. 177, C.S.T. Road, Kalina,
Santacruz (East), Mumbai-400098, Maharashtra, India

7. **Tata Capital Limited**
5th Floor, Capital One, Between HDFC House & HDFC Bank,
Near Mithakali Six Road, Navrangpura,
Ahmedabad-380009

8. **Moneywise Financial Services Pvt. Ltd.**
Reg. office at 11/6B, 2nd Floor, Shanti Chamber,
Pusa Road, New Delhi-110005

9. **Shriram Finance Limited**
Head Office at 6th Floor, (Level2) Building No Q2,
Aurum Q Parc, Gen 4/1 TTC,
Thane Belapur Road, Ghansoli, Navi Mumbai-400710

10. **M/s Mahindra & Mahindra Financial Services Ltd.**
Regd. Office at "Gateway Buidling, Apollo Bunder,
Mumbai-400001, Maharashtra

11. **HDFC Bank Limited**
Regd. Office at HDFC Bank House,

Senapati Bapat Marg, Lower Parel (West),
Mumbai-400013
And
Branch office at Shivalik-3, 3rd Floor,
Drive-In Cinema Road, Ahmedabad

12. **ECL Finance Limited**
Tower-3, Wing "B", Kohinoor City Mall,
Kohinoor City, Kirol Road, Kurla (West),
Mumbai-400070
And
Saket Building 44, Park Street,
9th Floor, Kolkata-700016

13. **Cholamandalam Investment and Finance Company Limited**
Regd. Office at C54&55, Supre B-4,
Thiru-VI-Ka Industrial Estate, Guindy,
Chennai-600032

14. **M/s Hitesh Enterprise,**
F-202, Avadh Park Land,
Sola, Ahmedabad

15. **M/s Sumati Agro**
B-9, Avanti Habitate,
Nr. Navroji Hall, Shahibaug,
Ahmedabad-380004

16. **M/s Parth Traders**
F-10, Avadh Park Land, Sola,
Ahmedabad

17. **Ghanshyambhai Chaturbhai Thakkar**
6-B, Ambalal Park, Dholka Road,
Bavla. District Ahmedabad

... Respondents

WITH

I.A. No.37/NCLT(AHM)2026

Dakshesh Pravinchandra Choksi
Interim Resolution Professional
of Personal Guarantor of
Hirenkumar Sureshbhai Patel
Registered Address:
Agarwal & Choksi 303-305 Vrajbhumi Complex,
Nr. Prarthana Flats, B/H Shilp Bldg,
Off CG Road, Navrangpura,
Ahmedabad, Gujarat, 380009

...Applicant/IRP

VERSUS

1. **Mr. Hirenkumar Sureshbhai Patel**
Personal Guarantor of Panshul Agro Food LLP
Having an Address at:
16, Vrundavar Bungalows Part 2,
Opp. Madhuvan Farm, Thaltej,
Ahmedabad city, Bodakdev,
Ahmedabad, Gujarat-380054

2. **State Bank of India**
Stressed assets Management Branch,
4th Floor, Old LHO Building,
Lal Darwaja, Bhadra, Ahmedabad-380001

3. **Yes Bank Limited**
Yes Bank House, Off Western Express Highway,
Santacruz East, Mumbai-400055

4. **IDFC First Bank Limited**
Naman Chambers, C-32, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051, India

5. **SMFG India Credit Company Limited**
Regd. Office at Commerzone IT Park,
Tower B, 1st Floor, No. 111, Mount Poonamallee Road
Porur, Chennai, Tamil Nadu, India-600116
And

Corporate Office at Maker Maxity,
10th Floor, office No. 101, 102&103,
North Avenue, Bandra Kurla Complex,
Bandra East, Mumbai, Maharashtra-400051

6. **Godrej Finance Limited**
Regd. Office at Godrej One, Pirojshanagar,
Eastern Express Highway, Vikhroli East,
Mumbai-400079
And
Branch Office at
R-5, Green Park (Main) Near Haldiram,
Delhi-110016

7. **L&T Finance Limited**
Regd. Office at Brindavan,
Plot No. 177, C.S.T. Road, Kalina,
Santacruz(East), Mumbai-400098, Maharashtra, India

8. **Tata Capital Limited**
5th Floor, Capital One, Between HDFC House & HDFC Bank,
Near Mithakali Six Road, Navrangpura,
Ahmedabad-380009

9. **Moneywise Financial Services Pvt. Ltd.**
Reg. office at 11/6B, 2nd Floor, Shanti Chamber,
Pusa Road, New Delhi-110005

10. **Shriram Finance Limited**
Head Office at 6th Floor, (Level2) Building No Q2,
Aurum Q Parc, Gen 4/1 TTC,
Thane Belapur Road, Ghansoli, Navi Mumbai-400710

11. **M/s Mahindra & Mahindra Financial Services Ltd.**
Regd. Office at "Gateway Buidling, Apollo Bunder,
Mumbai-400001, Maharashtra

12. **HDFC Bank Limited**
Regd. Office at HDFC Bank House,
Senapati Bapat Marg, Lower Parel (West),
Mumbai-400013

And
Branch office at Shivalik-3, 3rd Floor,
Drive-In Cinema Road, Ahmedabad

13. **ECL Finance Limited**
Tower-3, Wing "B", Kohinoor City Mall,
Kohinoor City, Kirol Road, Kurla (West),
Mumbai-400070
And
Saket Building 44, Park Street,
9th Floor, Kolkata-700016

14. **Cholamandalam Investment and Finance Company Limited**
Regd. Office at C54&55, Supre B-4,
Thiru-VI-Ka Industrial Estate, Guindy,
Chennai-600032

15. **M/s Hitesh Enterprise,**
F-202, Avadh Park Land, Sola, Ahmedabad

16. **M/s Sumati Agro**
B-9, Avanti Habitate,
Nr. Navroji Hall, Shahibaug,
Ahmedabad-380004

17. **M/s Parth Traders**
F-10, Avadh Park Land, Sola,
Ahmedabad

18. **Ghanshuambhai Chaturbhai Thakkar**
6-B, Ambalal Park, Dholka Road,
Bavla. District Ahmedabad

......Respondents

And

C.P. (IB) No.358/NCLT(AHM)2025
With
I.A. No.36/NCLT(AHM)2026

In the matter of **Rashmina Hirenkumar Patel**

C.P. (IB) No.358/NCLT(AHM)2025

Rashmina Hirenkumar Patel
16, Vrundavar Bungalows Part 2,
Opp. Madhuvan Farm, Thaltej,
Ahmedabad city, Bodakdev,
Ahmedabad, Gujarat-380054

...Applicant/Personal Guarantor

VERSUS

1. **State Bank of India**
Stressed assets Management Branch,
4th Floor, Old LHO Building,
Lal Darwaja, Bhadra, Ahmedabad-380001

2. **Yes Bank Limited**
Yes Bank House, Off Western Express Highway,
Santacruz East, Mumbai-400055

3. **IDFC First Bank Limited**
Naman Chambers, C-32, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051, India

4. **SMFG India Credit Company Limited**
Regd. Office at Commerzone IT Park,
Tower B, 1st Floor, No. 111, Mount Poonamallee Road
Porur, Chennai, Tamil Nadu, India-600116
And
Corporate Office at Maker Maxity,
10th Floor, office No. 101, 102&103,
North Avenue, Bandra Kurla Complex,
Bandra East, Mumbai, Maharashtra-400051

5. **Godrej Finance Limited**
Regd. Office at Godrej One, Pirojshanagar,
Eastern Express Highway, Vikhroli East,
Mumbai-400079

And
Branch Office at
R-5, Green Park (Main) Near Haldiram,
Delhi-110016

6. **L&T Finance Limited**
Regd. Office at Brindavan,
Plot No. 177, C.S.T. Road, Kalina,
Santacruz (East), Mumbai-400098, Maharashtra, India

7. **Tata Capital Limited**
5th Floor, Capital One, Between HDFC House & HDFC Bank,
Near Mithakali Six Road, Navrangpura,
Ahmedabad-380009

8. **Moneywise Financial Services Pvt. Ltd.**
Reg. office at 11/6B, 2nd Floor, Shanti Chamber,
Pusa Road, New Delhi-110005

9. **Shriram Finance Limited**
Head Office at 6th Floor, (Level2) Building No Q2,
Aurum Q Parc, Gen 4/1 TTC,
Thane Belapur Road, Ghansoli, Navi Mumbai-400710

10. **M/s Mahindra & Mahindra Financial Services Ltd.**
Regd. Office at "Gateway Buidling, Apollo Bunder,
Mumbai-400001, Maharashtra

11. **HDFC Bank Limited**
Regd. Office at HDFC Bank House,
Senapati Bapat Marg, Lower Parel (West),
Mumbai-400013
And
Branch office at Shivalik-3, 3rd Floor,
Drive-In Cinema Road, Ahmedabad

12. **ECL Finance Limited**
Tower-3, Wing "B", Kohinoor City Mall,
Kohinoor City, Kirol Road, Kurla (West),
Mumbai-400070
And

Saket Building 44, Park Street,
9th Floor, Kolkata-700016

13. **Cholamandalam Investment and Finance Company Limited**
Regd. Office at C54&55, Supre B-4,
Thiru-VI-Ka Industrial Estate, Guindy,
Chennai-600032

14. **M/s Hitesh Enterprise,**
F-202, Avadh Park Land, Sola, Ahmedabad

15. **M/s Sumati Agro**
B-9, Avanti Habitate,
Nr. Navroji Hall, Shahibaug,
Ahmedabad-380004

16. **M/s Parth Traders**
F-10, Avadh Park Land, Sola,
Ahmedabad

... Respondents

WITH

I.A. No.36/NCLT(AHM)2026

Dakshesh Pravinchandra Choksi
Interim Resolution Professional
of Personal Guarantor of
Hirenkumar Sureshbhai Patel
Registered Address:
Agarwal & Choksi 303-305 Vrajbhumi Complex,
Nr. Prarthana Flats, B/H Shilp Bldg,
Off CG Road, Navrangpura,
Ahmedabad, Gujarat, 380009

...Applicant/IRP

VERSUS

1. **Ms. Rashmina Hirenkumar Patel**
Personal Guarantor of Panshul Agro Food LLP

Having an Address at:
16, Vrundavar Bungalows Part 2,
Opp. Madhuvan Farm, Thaltej,
Ahmedabad city, Bodakdev,
Ahmedabad, Gujarat-380054

2. **State Bank of India**
Stressed assets Management Branch,
4th Floor, Old LHO Building,
Lal Darwaja, Bhadra, Ahmedabad-380001

3. **Yes Bank Limited**
Yes Bank House, Off Western Express Highway,
Santacruz East, Mumbai-400055

4. **IDFC First Bank Limited**
Naman Chambers, C-32, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051, India

5. **SMFG India Credit Company Limited**
Regd. Office at Commerzone IT Park,
Tower B, 1st Floor, No. 111, Mount Poonamallee Road
Porur, Chennai, Tamil Nadu, India-600116
And
Corporate Office at Maker Maxity,
10th Floor, office No. 101, 102&103,
North Avenue, Bandra Kurla Complex,
Bandra East, Mumbai, Maharashtra-400051

6. **Godrej Finance Limited**
Regd. Office at Godrej One, Pirojshanagar,
Eastern Express Highway, Vikhroli East,
Mumbai-400079
And
Branch Office at
R-5, Green Park (Main) Near Haldiram,
Delhi-110016

7. **L&T Finance Limited**
Regd. Office at Brindavan,

Plot No. 177, C.S.T. Road, Kalina,
Santacruz (East), Mumbai-400098, Maharashtra, India

8. **Tata Capital Limited**
5th Floor, Capital One, Between HDFC House & HDFC Bank,
Near Mithakali Six Road, Navrangpura,
Ahmedabad-380009

9. **Moneywise Financial Services Pvt. Ltd.**
Reg. office at 11/6B, 2nd Floor, Shanti Chamber,
Pusa Road, New Delhi-110005

10. **Shriram Finance Limited**
Head Office at 6th Floor, (Level2) Building No Q2,
Aurum Q Parc, Gen 4/1 TTC,
Thane Belapur Road, Ghansoli, Navi Mumbai-400710

11. **M/s Mahindra & Mahindra Financial Services Ltd.**
Regd. Office at "Gateway Buidling, Apollo Bunder,
Mumbai-400001, Maharashtra

12. **HDFC Bank Limited**
Regd. Office at HDFC Bank House,
Senapati Bapat Marg, Lower Parel(West),
Mumbai-400013
And
Branch office at Shivalik-3, 3rd Floor,
Drive-In Cinema Road, Ahmedabad

13. **ECL Finance Limited**
Tower-3, Wing "B", Kohinoor City Mall,
Kohinoor City, Kirol Road, Kurla (West),
Mumbai-400070
And
Saket Building 44, Park Street,
9th Floor, Kolkata-700016

14. **Cholamandalam Investment and Finance Company Limited**
Regd. Office at C54&55, Supre B-4,
Thiru-VI-Ka Industrial Estate, Guindy,

Chennai-600032

15. M/s Hitesh Enterprise,
F-202, Avadh Park Land, Sola, Ahmedabad

16. M/s Sumati Agro
B-9, Avanti Habitate,
Nr. Navroji Hall, Shahibaug,
Ahmedabad-380004

17. M/s Parth Traders
F-10, Avadh Park Land, Sola,
Ahmedabad

......Respondents

Order pronounced on 20.07.2026

C O R A M:

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

A P P E A R A N C E:

For the Petitioner/PGs	: Mr. Mohit Gupta, Advocate
For the Applicant/IRP	: Mr. Atul Sharma, Advocate
For Respondent FC/SBI	: Mr. Saurabh Rachchh, Advocate
For the Respondent/FCs	: Mr. Sumit Parikh, Adv for R-7
	: Mr. Bhavneet K Singla for R-14 to R-17

C O M M O N O R D E R
***{Per:* Bench}**

1. This common order is being passed in CP (IB) No. 357 of 2025 and CP (IB) No. 358 of 2025, petitions filed under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 seeking initiation of the Insolvency Resolution Process against the Petitioners, namely Mr. Hirenkumar Sureshbhai Patel and Ms. Rashmina Hirenkumar Patel, who are Personal Guarantors to the Corporate Debtor, **M/s Panshul Agro Food LLP**. Since the issues involved in both the petitions are common and arise out of the same set of facts, they are being disposed of by this common order.

2. The present Company Petitions bearing C.P. (IB) No. 357/NCLT(AHM)2025 and C.P. (IB) No. 358/NCLT(AHM)2025 have been filed through e-mode on 11.09.2025 by **Mr. Hirenkumar Sureshbhai Patel** and **Ms. Rashmina Hirenkumar Patel** (the Petitioners/Personal Guarantors), respectively, under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 read with Rule 6(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, seeking initiation of the Insolvency Resolution Process in respect of themselves as Personal Guarantors to the Corporate Debtor, **M/s Panshul Agro Food LLP,** in respect of the debts owed to their Financial

Creditors arising under the respective Deeds of Guarantee executed in favour of the said Financial Creditors.

3. The Petitioners/Personal Guarantors have placed the **facts** through the Company Petition and documents in the following manner: -

3.1 Both Petitioners have disclosed that they are Designated Partners of M/s Panshul Agro Food LLP (LLPIN: ACC-3139). Mr. Hirenkumar Patel has additionally disclosed that he is a Guarantor of Parvati Industries Private Limited. It is stated that M/s Panshul Agro Food LLP has already filed an application under Section 10 of the Insolvency and Bankruptcy Code, 2016 before this Adjudicating Authority, being CP (IB) Filing No. 2401105/02018/2025.

3.2 It has been stated that M/s. Panshul Agro Food LLP is engaged in the business of manufacture of rice, having its registered office at Survey No.273, Salajada, Bavla-Dholka Road, Ta. Bavla, District Ahmedabad-382220. Both Petitioners joined the LLP on 01.08.2023, each having a capital contribution of Rs. 27,05,66,965.10 and 50% share in profits.

3.3 The Petitioners have stated that their personal guarantees have been invoked by the respective lenders. In support thereof, reliance has been placed upon the

Demand Notice dated 20.06.2025 issued by State Bank of India under Section 13(2) of the SARFAESI Act invoking the guarantee dated 16.11.2023, the Loan Recall Notice dated 01.08.2025 issued by State Bank of India invoking the guarantee dated 23.10.2020 (in CP (IB) No.357/2025), Loan Recall Notices issued by Yes Bank Limited, SMFG India Credit Company Limited, L&T Finance Limited, Moneywise Financial Services Pvt. Ltd., Mahindra & Mahindra Financial Services Ltd. and Cholamandalam Investment and Finance Company Ltd., notices issued under Section 138 of the Negotiable Instruments Act, 1881 by Godrej Finance Limited, Tata Capital Limited and ECL Finance Limited, besides a legal notice issued in respect of IDFC First Bank Limited.

3.4 The Petitioners have disclosed liabilities towards 13 Financial Creditors, namely: State Bank of India; Yes Bank Limited; IDFC First Bank Limited; SMFG India Credit Company Limited; Godrej Finance Limited; L&T Finance Limited; Tata Capital Limited; Moneywise Financial Services Private Limited; Shriram Finance Limited; Mahindra & Mahindra Financial Services Limited; HDFC Bank Limited; ECL Finance Limited; and Cholamandalam Investment and Finance Company Limited.

3.5 The Petitioners have also disclosed liabilities towards unsecured creditors. In CP (IB) No.357/2025, the unsecured creditors comprise Hitesh Enterprise, Sumati

Agro, Parth Traders, M/s. Dahyabhai Jamnadas, Arihant Trading Co. and M/s. Viha Traders, whereas in CP (IB) No.358/2025, an additional unsecured creditor, namely Ghanshyambhai Chaturbhai Thakkar, has also been disclosed.

3.6 The aggregate debt disclosed in CP (IB) No.358/2025 is Rs.42,20,27,984.96, whereas the aggregate debt disclosed in CP (IB) No.357/2025 is Rs.90,82,20,518.28, inclusive of interest and penalties.

3.7 The principal liabilities disclosed include:-

- State Bank of India – ₹40,92,06,084.08 (secured facility)
- Additional liabilities of State Bank of India in CP (IB) No.357/2025 amounting to ₹48,26,312/- (car loan) and ₹48,13,66,221.32 (loan recall)
- Yes Bank Limited – 20,83,818.50
- IDFC First Bank Limited – ₹9,53,052.39
- SMFG India Credit Company Limited– ₹3,32,319.23
- Godrej Finance Limited – ₹9,28,955/-
- L&T Finance Limited – ₹13,22,933/-
- Tata Capital Limited – ₹10,35,503/-
- Moneywise Financial Services Pvt. Ltd. – ₹11,79,506.93
- Shriram Finance Limited – ₹6,88,348/-
- Mahindra & Mahindra Financial Services Ltd. – ₹8,50,748.84
- HDFC Bank Limited – ₹23,51,461.99
- ECL Finance Limited – ₹1,70,376/-; and
- Cholamandalam Investment & Finance Company Limited – Rs. 9,24,878/-.

3.8 The Petitioners have disclosed that the debt became due and default occurred pursuant to issuance of the respective demand and recall notices. The principal dates of default mentioned in the Petitions are:

- State Bank of India – 18.04.2025
- Godrej Finance Limited – 30.06.2025
- Tata Capital Limited – 26.06.2025
- ECL Finance Limited – 29.05.2025

3.9 The Petitions further disclose that State Bank of India is the only secured financial creditor, whereas the liabilities towards the remaining financial creditors are unsecured. Mr. Hirenkumar Patel has disclosed ownership of three immovable properties offered as security to State Bank of India, namely:

- Factory land and buildings situated at Salajada, Bavla valued at Rs.13.50 Crore;
- Non-agricultural land situated at Salajada, Bavla valued at Rs.4.50 Crore; and
- 50% undivided share in the residential property situated at Vrundavan Bungalows, Thaltej, Ahmedabad valued at Rs.3.38 Crore.

The aggregate estimated value of the secured immovable properties has been disclosed as Rs.21.38 Crore.

3.10 Mrs. Rashmina Hirenkumar Patel has disclosed that she does not own any immovable or movable assets as on the date of filing of the application.

4. On presentation of the Company Petitions by the

Petitioners/Debtors, this Adjudicating Authority vide order dated 15.09.2025 has appointed the Resolution Professional viz, **Mr. Dakshesh Pravinchandra Choksi**, having Registration No. IBBI/IPA-001/IP-P00718/2017-2018/11300 as Interim Resolution Professional with directions to issue notice to creditors, obtain responses as per section 97(3) of IBC, 2016 and submit a report under Section 99 of the Code within ten days. The IRP was also directed to file its report through a separate IA.

5. Vide order dated 09.12.2025, this Adjudicating Authority permitted withdrawal of IA No. 1190(AHM)2025, filed under Section 99 of the Insolvency and Bankruptcy Code, 2016, in view of the submission made by the Resolution Professional that certain variations in the liabilities disclosed by the Applicant/Personal Guarantor required verification and rectification. Liberty was granted to the Resolution Professional to file a fresh report under Section 99 of the Code within a period of ten days, and accordingly, IA No. 1190(AHM)2025 was dismissed as withdrawn.

6. The IRP, in its revised report dated 19.12.2025 filed through

I.A. No. 37 of 2026 and I.A. No. 36 of 2026, recommending the admission of both the Company Petitions filed under section 94 of IBC, 2016. The IRP recorded in the report that:-

> *"The Resolution Professional has recommended that the present Applications under Section 94 of the Insolvency and Bankruptcy Code, 2016 filed by the Personal Guarantors, namely, **Mr. Hirenkumar Sureshbhai Patel** and **Mrs. Rashmina Hirenkumar Patel**, deserve to be admitted under Section 100 of the Code and that the Insolvency Resolution Process be commenced against them in their respective capacities as Personal Guarantors, namely, Mrs. Rashmina Hirenkumar Patel to M/s Panshul Agro Food LLP and Mr. Hirenkumar Sureshbhai Patel to M/s Panshul Agro Food LLP and M/s Parvati Industries Private Limited."*

7. After filing of the revised report under Section 99 of the Insolvency and Bankruptcy Code, 2016, this Adjudicating Authority, vide order dated 12.01.2026, directed issuance of notice to the non-appearing Respondents. The appearing counsel for the Personal Guarantor as well as the Financial Creditors acknowledged receipt of the application and sought time to file their responses. The non-appearing Respondents were directed to file their replies, if any, within seven days from the date of receipt of notice, with liberty to the Applicant to file a rejoinder thereafter.

8. The Respondent No. 7/ **L&T Finance Limited** has filed its reply on 17.02.2026 vide Inward Diary No. D-1487 after examining the application under, the report, and the relevant records. The contentions raised by Respondent No. 7 are summarized as under:-

8.1 It is contended that the Section 94 application has been filed solely because another Financial Creditor, namely State Bank of India, invoked the Personal Guarantee. Respondent No. 7 itself has not invoked the Personal Guarantee furnished in its favour.

8.2 The Principal Borrower had availed business loan facilities from it and was initially regular in repayment. However, defaults were noticed from October 2024 onwards, the loan account was classified as NPA on 04.07.2025, and an amount of Rs. 15,03,726/- remained outstanding as on 08.01.2026.

8.3 The Personal Guarantor has also furnished guarantees for other entities and has failed to disclose the complete facts in the present application, particularly regarding guarantees furnished in favour of other creditors and the proceedings initiated by State Bank of India under Section 13(2) of the SARFAESI Act.

8.4 According to Respondent No. 7, all the immovable properties standing in the name of the Personal Guarantor are already mortgaged in favour of State Bank of India and there are no free or unencumbered assets available.

Certain properties are also stated to be jointly owned with third parties.

8.5 It is asserted that the Section 94 application has been filed only to stall and delay recovery proceedings initiated by the Financial Creditors, particularly the SARFAESI proceedings initiated by State Bank of India, rather than for genuine insolvency resolution.

8.6 It is further submitted that proceedings were already pending against the Personal Guarantor before the Debt Recovery Tribunal and under Section 138 of the Negotiable Instruments Act, which demonstrate the Personal Guarantor's inability to repay creditors and the absence of any viable repayment plan.

8.7 The report submitted by the Resolution Professional under Section 99 recommending admission of the application is disputed. It is contended that the Resolution Professional failed to consider that the Personal Guarantor possesses no unencumbered assets and overlooked material facts while recommending admission.

8.8 Accordingly, Respondent No. 7 has prayed that the application under Section 94 be dismissed with exemplary costs, contending that the application is not bona fide and has been instituted only to frustrate the recovery proceedings of the Financial Creditors.

9. The Respondent No. 1/**State Bank of India** filed its Reply Affidavit on 24.02.2026 vide Inward Diary No. D-1774 after examining the application under Section 94 of the Insolvency and Bankruptcy Code, 2016, the Report submitted by the Resolution Professional under Section 99 of the Code, and the relevant records. The contentions raised are summarised as under: -

9.1 The Personal Guarantor had remained silent despite issuance of notices under Section 13(2) of the SARFAESI Act, 2002 and legal notices invoking the personal guarantee, and the details of such notices were placed on record.

9.2 The Respondent submitted that the dates of debt due and default mentioned in the application under Section 94 are erroneous and inconsistent with the dates of invocation of the personal guarantee. According to the Respondent, once the guarantee was invoked on 20.06.2025 and legal notice was issued on 29.07.2025, the debt due and default could not have been shown as 18.04.2025.

9.3 It was further contended that even the Resolution Professional, in his report under Section 99, recorded that the liability of the Personal Guarantor became due on 20.06.2025 and the date of default was 19.08.2025, thereby acknowledging inconsistencies in the application. However, despite such observations, the Resolution Professional recommended admission of the application, rendering the recommendation legally unsustainable.

9.4 The Respondent submitted that the Resolution Professional failed to properly examine the mandatory requirements under the Insolvency and Bankruptcy Code and ought to have recommended rejection of the application in view of the defects and non-compliance in the application filed under Section 94.

9.5 It was further submitted that all immovable properties standing in the name of the Personal Guarantor are already mortgaged with the State Bank of India, one of which is jointly owned, and that the Resolution Professional failed to consider these facts while submitting the report.

9.6 The Respondent also contended that several proceedings under Section 138 of the Negotiable Instruments Act are pending against the Personal Guarantor, indicating financial incapacity and absence of a viable repayment plan for the creditors, which aspect was not considered by the Resolution Professional.

9.7 On the aforesaid grounds, the Respondent prayed that the recommendation made by the Resolution Professional under Section 99 be rejected and the application under Section 94 of the Insolvency and Bankruptcy Code, 2016 be dismissed.

10. The Respondent No. 14/**M/s Hitesh Enterprise**, filed its Reply Affidavits on 14.03.2026 in response to the Reports dated 19.12.2025 has, inter alia, made the following submissions: -

10.1 That the amount of Rs. 73,35,492/- reflected by the Personal Guarantor in Form A as payable to Respondent No. 14 is erroneous and that the correct position had already been communicated to the Interim Resolution Professional vide confirmation dated 25.09.2025.

10.2 It is further submitted that Respondent No.14 is an independent third-party creditor and is neither a related party nor otherwise connected with the Personal Guarantors, except in the ordinary course of commercial dealings.

In CP (IB) No. 357/AHM/2025 (Hirenkumar Sureshbhai Patel)

10.3 The actual amount legally due and payable is Rs.65,12,039/-, and not Rs.73,35,492/- as reflected by the Personal Guarantor. It is contended that the liability arose from unsecured loan transactions carried out through banking channels and is evidenced by ledger accounts, payment of interest after deduction of TDS, issuance of cheques towards repayment and other financial records acknowledging the debt.

10.4 It is further submitted that financial assistance was advanced to Panshul Industries/Panshul Agro Food LLP between 16.11.2021 and 31.03.2025, interest was agreed at the rate of 13.50% per annum, and partial repayments were made from time to time. Respondent No.14 contends that, as on 31.03.2025, a sum of Rs.65,12,039/- remained outstanding.

10.5 It is contended that the Interim Resolution Professional erroneously rejected its claim despite the documentary evidence produced, including bank statements, ledger accounts and statutory acknowledgements. It is also submitted that proceedings under Section 138 of the Negotiable Instruments Act, 1881 have been initiated in respect of dishonoured cheques issued towards repayment. Accordingly, Respondent No.14 has prayed for setting aside the rejection of its claim and for admission of its claim as an unsecured creditor for Rs.65,12,039/-.

In CP (IB) No. 358/AHM/2025 (Rashmina Hirenkumar Patel)

10.6 It is contended that the confirmation dated 25.09.2025 clearly establishes that the amount, if any, was receivable only from Mr. Hirenkumar Sureshbhai Patel and not from Mrs. Rashmina Hirenkumar Patel. It is further submitted that no loan agreement or guarantee agreement was ever executed by Mrs. Rashmina Hirenkumar Patel in favour of Respondent No. 14 and, therefore, no liability can be fastened upon her. Respondent No. 14 has accordingly supported the rejection of its claim in the present proceedings and prayed that it be declared that no claim subsists against Mrs. Rashmina Hirenkumar Patel.

11. The Respondent No. 15/**M/s Sumati Agro**, filed Reply Affidavits on 17.02.2026 vide Inward No. D-1492 in response to the Reports dated 19.12.2025, making the following submissions:

11.1 The Respondent submitted that it is an independent third-party unsecured creditor, neither a related party nor connected with the respective Personal Guarantors, and does not exercise any control, management or significant influence over them.

11.2 The Respondent further submitted that the communications dated 25.09.2025 and the Correction Letter dated 03.11.2025 were issued only to rectify clerical errors and confusion arising from parallel insolvency proceedings concerning the husband and wife, and were not intended to waive, abandon or disclaim any claim.

11.3 Insofar as CP (IB) No. 358/AHM/2025 relating to Mrs. Rashmina Hirenkumar Patel is concerned, the Respondent asserted that an unsecured loan of Rs.50,00,000/- was advanced through banking channels, the debt continues to subsist, proceedings under Section 138 of the Negotiable Instruments Act have been initiated, and the Interim Resolution Professional has erroneously concluded that no debt is payable. The Respondent accordingly prayed for admission of its claim.

11.4 In contrast, in CP (IB) No. 357/AHM/2025 relating to Mr. Hirenkumar Sureshbhai Patel, the Respondent clarified that no claim survives against the Personal Guarantor in those proceedings, the liability pertains to the proceedings against Mrs. Rashmina Hirenkumar Patel, and therefore no claim has been filed or is recoverable in the present petition.

12. The Respondent No. 16/ **M/s Parth Traders**, filed Reply Affidavits on 09.03.2026 vide Inward Diary No. D-2094 in response to the Reports inter alia, contending as under:

12.1 It is contended that the disclosure of Rs. 30,00,000/- as payable to it in Form A is erroneous. It is submitted that, vide confirmation dated 25.09.2025, the Respondent had informed the Interim Resolution Professional that no amount was receivable from the Personal Guarantor and, therefore, no subsisting claim, debt or liability exists against the Personal Guarantor, nor has any claim been filed in the present insolvency proceedings. (**with regard to IA/37 of 2026**).

12.2 The liability of Rs. 30,00,000/- disclosed by the Personal Guarantor in Form A is incorrect and that the actual outstanding amount payable is Rs. 33,64,500/-, as reflected in the confirmation dated 24.09.2025. It is submitted that the outstanding arises from a loan transaction entered into in the year 2021, which is duly supported by documentary evidence including ledger accounts, bank statements and confirmation letters. The Respondent further submits that the Resolution Professional has neither admitted nor rejected its claim in accordance with law, and that the debt constitutes a legally enforceable liability acknowledged through interest payments and TDS deductions. (**with regard to IA/36 of 2026**)

12.3 It is also submitted that Respondent No. 17 is an independent third-party creditor, not a related party of the Personal Guarantor, and that proceedings under Section 138 of the Negotiable Instruments Act have also been initiated in respect of the outstanding amount.

13. The Respondent No. 17/ **Ghanshyambhai Chaturbhai Thakkar** filed Reply Affidavit on 17.02.2026 vide Inward Diary No. D-1493 in response to the Reports inter alia, contending as under:

13.1 It is submitted that the liability of Rs. 2,73,00,000/- disclosed by the Personal Guarantor in Form A is incorrect and inflated, and that the actual amount receivable by Respondent No. 17 is only Rs. 11,00,000/- as per the confirmation dated 20.11.2025 furnished to the Resolution Professional.

13.2 The Respondent submits that the amount of Rs. 11,00,000/- was advanced to the Personal Guarantor through banking channels on 28.08.2025 for business purposes, remains unpaid, and is supported by bank transaction records and other documentary evidence.

13.3 It is further submitted that no loan agreement or financial contract exists for any amount beyond Rs. 11,00,000/-, and therefore the disclosure of liability of Rs. 2,73,00,000/- by the Personal Guarantor is erroneous and unsustainable.

13.4 The Respondent contends that the debt of Rs. 11,00,000/- constitutes a legally enforceable financial debt and ought to have been admitted as a valid unsecured financial debt. It is further submitted that the Respondent is an independent third-party creditor and is neither a related party nor connected with the Personal Guarantor or his business entities.

14. The Petitioners/Personal Guarantors filed **Rejoinder Affidavits** on 09.03.2026 vide Inward Diary No. D-2108 denying the contentions raised by State Bank of India in its Reply Affidavit and reiterating the averments made in the petition. The Petitioners inter alia contended that:

14.1 The Petitioners submitted that the present petition has not been filed to restrain or obstruct the enforcement proceedings initiated by SBI under the SARFAESI Act, 2002, but has been filed bona fide under Section 94 of the Insolvency and Bankruptcy Code, 2016, for resolution of personal financial distress and settlement of debts owed to all creditors.

14.2 It was contended that SBI has itself admitted the invocation of the personal guarantee, and that the guarantee was invoked:

- vide Demand Notice dated 20.06.2025 issued under the provisions of the SARFAESI Act, 2002, calling upon the Applicant to discharge the outstanding dues within 60 days; and
- vide Legal Notice dated 29.07.2025 invoking the personal guarantee.

14.3 The Applicant submitted that Section 94 of the IBC does not prescribe the existence of free or unencumbered assets as a pre-condition for filing an insolvency application, and therefore, the petition cannot be rejected merely because the Applicant has limited or no free assets.

14.4 It was further contended that the existence of default in repayment of dues is the essential prerequisite for initiating proceedings under Section 94 of the Code, and the admitted default entitles the Applicant to invoke the statutory remedy.

14.5 The Applicant denied SBI's allegation that the petition was filed only to safeguard the mortgaged properties, contending that:

- the object of the petition is to achieve a comprehensive resolution and settlement of debts;
- in the event the insolvency resolution process fails, the Applicant would lose the mortgaged assets in the bankruptcy process; and
- therefore, the allegation that the petition has been filed merely to stall SARFAESI proceedings is misconceived and untenable.

14.6 The Applicant further submitted that the Resolution Professional has rightly recommended admission of the petition, and reiterated that insufficiency of assets cannot constitute a valid ground for rejection of an application under Section 94 of the Code.

14.7 It was specifically contended that SBI has admitted both the invocation of the personal guarantee and the Applicant's default in repayment of dues, and the only objection raised is the absence of free assets, which, according to the Applicant, is legally unsustainable under the provisions of the Code.

14.8 It was accordingly prayed that the objections raised by SBI be rejected and the petition filed under Section 94 of the Insolvency and Bankruptcy Code, 2016 be admitted in the interest of justice.

15. Further, **Respondent No. 1/SBI** has also filed its Written Submissions on 20.03.2026 vide Inward Diary Nos. D-2481 and D-2485.

16. The Petitioners, **Mr. Hirenkumar Sureshbhai Patel and Mrs. Rashminaben Hirenkumar Patel**, filed their Written Submissions on 23.03.2026 vide Inward Diary Nos. D-2576 and D-2577, respectively, in their respective petitions. In support of their submissions, they relied upon the following judgment: -

i. *Mamtaben Hareshbhai Bhalodiya v. Small Industries Development Bank of India & Anr., CP (IB) No. 225/AHM/2025*

17. Further, the **Resolution Professional (RP)** has also filed his Written Submissions on 22.04.2026 vide Inward Diary Nos. D-3541 and D-3542.

18. We have heard Ld. Counsel for the Petitioners/Personal Guarantors, Ld. Counsel for the Resolution Professional and Ld. Counsel for the respective Financial Creditors, considered the oral submissions of the parties and perused the material on record. During the course of hearing/ submission Ld. Counsel for the Petitioners/Personal Guarantors handed over the copy of the order dated **29.04.2026** of this Tribunal passed in **CP(IB) No. 353 of 2025** against the Corporate Debtor- M/s. Panshul Agro Food LLP rejecting the petition filed under Section 10 of the IBC.

19. Having heard the learned counsel appearing for the Petitioners/Personal Guarantors, the Resolution Professional and the respective Financial Creditors, and upon careful consideration of the pleadings, the Report dated 19.12.2025 submitted under Section 99 of the Insolvency and Bankruptcy Code, 2016 ("the Code"), the written submissions and the documents placed on record, this Adjudicating Authority proceeds to examine whether the Petitions filed under Section 94 of the Code deserve admission.

20. At the outset, there is no dispute regarding the execution of the personal guarantees in favour of various Financial Creditors, including the guarantee deeds executed in favour of State Bank of India dated 23.10.2020 and 16.11.2023 in respect of the credit facilities extended to Panshul Agro LLP. It is equally undisputed that the Corporate Debtor committed persistent defaults, whereupon the loan accounts were classified as Non-Performing Assets on 18.04.2025.

21. Consequent thereto, State Bank of India initiated recovery measures by issuing demand notice dated 20.06.2025 under Section 13(2) of the SARFAESI Act, 2002, followed by legal notice dated 29.07.2025 specifically invoking the personal guarantees and calling upon the Personal Guarantors to discharge their liabilities.

22. Apart from State Bank of India, various other Financial Creditors also issued recall notices, demand notices and invocation notices, including Cholamandalam Investment and Finance Company Limited on 14.05.2025, L&T Finance Limited on 19.05.2025, Mahindra & Mahindra Financial Services Limited on 23.05.2025, ECL Finance Limited on 03.06.2025, SMFG India Credit Company Limited on 08.06.2025, HDFC Bank Limited on 10.06.2025, Yes Bank Limited on 11.06.2025, Godrej Finance Limited on 12.07.2025 by issuing notice under Section 138 of the Negotiable Instruments Act, and Moneywise Financial Services Private Limited on 14.07.2025. These facts stand admitted by the Petitioners.

23. The Petitioners have principally contended that once the existence of debt, occurrence of default and invocation of the personal guarantees are established, and the Petitioners do not suffer from any of the disqualifications contemplated under Sections 94(4) and 94(5) of the Code, the Petitions deserve admission as a matter of course.

24. It has further been contended that pendency of proceedings under the SARFAESI Act or other recovery mechanisms cannot, by itself, constitute a valid ground for rejection of an application under Section 94 of the Code. In support of the said submission, reliance has been placed upon the decision of this Adjudicating Authority in ***Mamtaben Hareshbhai Bhalodiya v. Small Industries Development Bank of India & Anr*** **CP No. 225/AHM/2025.**

25. The Resolution Professional, in the Report dated 19.12.2025, has recommended admission of the Petitions under Section 99 of the Code. However, it is well settled that the Report submitted under Section 99 is recommendatory in nature and does not curtail the statutory duty cast upon the Adjudicating Authority to independently examine the maintainability of the Petitions, the surrounding circumstances, the conduct of the

Petitioners and the bona fides underlying the invocation of the insolvency process before passing an order under Section 100 of the Code.

26. The aforesaid position stands affirmed by the Hon'ble Supreme Court in ***Dilip B. Jiwrajka v. Union of India & Ors.*** **(2023 ibclaw.in 147 SC)**, wherein it was held that the Resolution Professional performs only a recommendatory function under Section 99 of the Code and that the Adjudicating Authority must independently arrive at its satisfaction under Section 100. Accordingly, this Adjudicating Authority is not bound by the recommendation contained in the Report under Section 99.

27. It is also pertinent to note that the earlier Report submitted by the Resolution Professional was withdrawn thereafter a fresh Report dated 19.12.2025 came to be submitted upon detailed verification of the claims, liabilities and supporting documents.

28. The revised Report of the Resolution Professional records material discrepancies in the Petitioners' disclosures regarding their liabilities, dates of default and particulars furnished in Form A. Despite these discrepancies, the Resolution

Professional has recommended admission of the Petitions. However, such recommendation cannot substitute the independent satisfaction of this Adjudicating Authority under Section 100 of the Code.

29. The record further reveals that the Financial Creditors have consistently opposed the admission of these petitions by contending that the Petitions have not been instituted with a genuine intention to resolve the insolvency of the Personal Guarantors but have been filed solely with the object of obtaining the benefit of the interim moratorium under Section 96 of the Code and thereby obstructing the recovery proceedings lawfully initiated by the creditors.

30. It has been specifically contended by the Financial Creditors that after the account of the Corporate Debtor was classified as NPA on 18.04.2025, recovery proceedings were initiated by issuance of recall notices between 14.05.2025 and 14.07.2025, followed by the demand notice under Section 13(2) of the SARFAESI Act dated 20.06.2025 and invocation of the personal guarantees by State Bank of India vide legal notice dated 29.07.2025. It is only thereafter that the present petitions under Section 94 of the Code came to be instituted on 11.09.2025, thereby triggering the statutory interim moratorium under Section 96 of the Code and restraining the creditors from proceeding further against the Personal Guarantors.

31. The Financial Creditors have also highlighted several inconsistencies in the disclosures made by the Petitioners regarding the quantum of debt, dates of default and liabilities allegedly owed to various creditors. These objections substantially find reflection in the revised Report submitted by the Resolution Professional, wherein discrepancies have been recorded in respect of the liabilities disclosed by the Petitioners, the dates on which the debts became due, and the particulars reflected in Form A.

32. The replies received by the Resolution Professional from various unsecured creditors reveal material inconsistencies in the liabilities disclosed by the Petitioners. While certain creditors disputed the quantum of debt, others corrected the amounts reflected in Form A or denied the existence of any liability. These discrepancies undermine the reliability of the financial disclosures furnished by the Petitioners and warrant an independent scrutiny by this Adjudicating Authority.

33. This Adjudicating Authority is unable to accept the submission that mere satisfaction of Sections 94(4) and 94(5) automatically entitles an applicant to admission. The scheme of Sections 99 and 100 requires the Adjudicating Authority to independently examine the facts and surrounding circumstances before arriving at its satisfaction. Such satisfaction must be founded upon an independent judicial evaluation of the application, the report submitted under Section 99 and the objections of the creditors. The jurisdiction under Section 100 is not a mechanical exercise founded solely upon the recommendation of the Resolution Professional or the absence of statutory disqualifications.

34. During the pendency of these proceedings, this Adjudicating Authority, by order dated 29.04.2026 in **CP (IB) No.353 of 2025**, dismissed the application filed by the Corporate Debtor, M/s Panshul Agro Food LLP, under Section 10 of the Code, holding that, on the facts of that case, the Corporate Debtor had invoked the insolvency process fraudulently or with malicious intent within the meaning of Section 65 of the Code. Although the findings recorded therein are not conclusive in the present proceedings, they constitute a relevant surrounding circumstance for the limited purpose of evaluating the Petitioners' conduct while recording satisfaction under Section 100.

35. Both proceedings arise from the same financial transactions, defaults and recovery actions initiated by substantially the same Financial Creditors. The record in the connected proceedings also disclosed allegations regarding removal of hypothecated movable assets and inconsistent disclosures concerning the availability of secured assets. While those issues are not independently adjudicated herein, they are relevant circumstances while examining the bona fides and maintainability of the present Petitions under Section 100 of the Code.

36. The chronology of events also assumes significance. Following classification of the loan accounts as NPA on 18.04.2025, the Financial Creditors initiated recovery proceedings by issuing recall notices, demand notices under Section 13(2) of the

SARFAESI Act, 2002 and notices invoking the personal guarantees. Thereafter, the Corporate Debtor instituted proceedings under Section 10 of the Code and subsequently the present Petitions under Section 94 were filed on 11.09.2025, resulting in the statutory interim moratorium under Section 96 of the Code. Such chronology is a relevant circumstance while examining the bona fides of the present applications.

37. The record further reveals material discrepancies in the disclosures made by the Petitioners regarding the quantum of liabilities, dates of default and particulars furnished in Form A. Several creditors disputed the amounts disclosed, while the Resolution Professional himself recorded discrepancies in the revised report submitted under Section 99. These inconsistencies diminish the reliability of the disclosures and warrant independent scrutiny by this Adjudicating Authority.

38. The Resolution Professional has recommended admission of the Petitions. However, as held by the Hon'ble Supreme Court in Dilip B. Jiwrajka v. Union of India & Ors., the report under Section 99 is recommendatory in nature and does not dispense with the duty of this Adjudicating Authority to independently record its satisfaction under Section 100 of the Code.

The satisfaction contemplated under Section 100 of the Code is judicial in nature. While the existence of debt and default is a relevant consideration, the Adjudicating Authority is also required to independently examine the application, the report submitted under Section 99, the objections raised by the creditors and the surrounding facts and circumstances before deciding whether the application deserves admission.

39. Likewise, though initiation of recovery proceedings under the SARFAESI Act or any other statute cannot, by itself, constitute a ground for rejection of an application under Section 94, the Hon'ble NCLAT in ***Syed Sirajis Salikin Khadri v. Edelweiss Asset Reconstruction Company Ltd. & Anr.*** has recognised that the chronology of events, surrounding circumstances and conduct of the applicant are relevant factors in assessing the bona fides of the insolvency process.

40. On a cumulative consideration of the chronology of events, the findings recorded in the connected Section 10 proceedings, the material inconsistencies in the Petitioners' disclosures, the conduct of the Petitioners and the surrounding circumstances, this Adjudicating Authority is not satisfied that the present Petitions have been filed with the bona fide object of seeking insolvency resolution. Rather, the material on record indicates that the predominant purpose of invoking the provisions of Part III of the Code was to obtain the statutory protection under Section 96 and impede the recovery proceedings initiated by the Financial Creditors.

41. The Insolvency and Bankruptcy Code is intended to facilitate genuine insolvency resolution and not to serve as a mechanism for delaying or frustrating lawful recovery proceedings. Particularly where the surrounding circumstances demonstrate that the insolvency process has been invoked for a collateral purpose, this Adjudicating Authority is duty-bound to decline admission.

42. The jurisdiction under Section 100 of the Code is neither ministerial nor mechanical. The Adjudicating Authority is required to independently evaluate the application, the report submitted under Section 99, the objections raised by the creditors and the overall facts and circumstances before recording its satisfaction. On the facts of the present case, such satisfaction cannot be recorded.

43. Accordingly, this Adjudicating Authority is not satisfied that the present Petitions deserve admission under Section 100 of the Insolvency and Bankruptcy Code, 2016. The Petitions are, therefore, liable to be dismissed.

44. Consequently, **C.P. (IB) No.357/NCLT(AHM)2025** and **C.P. (IB) No.358/NCLT(AHM)2025** stand **dismissed**.

45. In view of dismissal of the main Company Petition, **I.A. No.37/NCLT(AHM)2026** in C.P. (IB) No.357/NCLT(AHM)2025 and **I.A. No.36/NCLT(AHM)2026** in C.P. (IB) No.358/NCLT(AHM)2025 filed by the IRP having become infructuous, are accordingly disposed of.

46. The interim moratorium which commenced under Section 96(1) of the Insolvency and Bankruptcy Code, 2016 shall cease to have effect from the date of this order.

47. It is clarified that dismissal of the present Company Petitions shall not preclude the Respondents/Financial Creditors from continuing recovery proceedings under the SARFAESI Act, 2002, Recovery of Debts and Bankruptcy Act, 1993 and other applicable laws.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

Aditi Jain/LRA