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

ITEM No.304
C.P.(IB)/169(AHM)2026

Under Section 94 IBC
IN THE MATTER OF:
Balmukund Kajodimal Lohiya PG to Exemplar Alloys LLP ....**Applicant**
V/s
State Bank of India ....**Respondent**

ITEM No.305
IA/1019(AHM)2026
in
C.P.(IB)/169(AHM)2026

Under Section 99
IN THE MATTER OF:
PawanKumar Jagetia RP of Mr. Balmukund Kajodimal Lohiya PG of M/s Exemplar Alloys LLP ....**Applicant**
V/s
Mr. Balmukund Kajodimal Lohiya PG M/s Exemplar Alloys LLP & Anr. ....**Respondent**

ITEM No.306
C.P.(IB)/171(AHM)2026

Under Section 94 IBC
IN THE MATTER OF:
Aashrik Shreekant Jhawar PG to Exemplar Alloys LLP ....**Applicant**
V/s
State Bank of India ....**Respondent**

ITEM No.307
IA/1020(AHM)2026
in
C.P.(IB)/171(AHM)2026

Under Section Sec 99
IN THE MATTER OF:
PawanKumar Jagetia RP of Mr.Aashrik Shreekant Jhawar PG of M/s Exemplar Alloys LLP ....**Applicant**
V/s
Mr. Aashrik Shreekant Jhawar PG M/s Exemplar Alloys LLP & Anr. ....**Respondent**

Order delivered on: 20/08/2026

C O R A M:

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

C O M M O N - O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of 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**

**CP (IB) No.169/NCLT/AHM/2026
with
I.A. No.1019/NCLT/AHM/2026**

[Company Petition under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 r. w. Rule 6(1) 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: Balmukund Kajodimal Lohiya

C.P. (IB) No. 169/NCLT/AHM/2026

Balmukund Kajodimal Lohiya
Having address at:
Girirajdham, Flat No. 504,
Fifth Floor, Street No.3,
Rajnagar Saru Section Road,
Jamnagar City, Gujarat – 361006.

.... **Petitioner/PG**

VERSUS

State Bank of India
Stressed Assets Recovery Branch,
4th Floor, Left Wing,
Old LHO Building,
Bhadra, Lal Darwaja,
Ahmedabad – 380001, Gujarat

Also, having address at:
GIDC Electronics Estate Branch,
Sector 25, GIDC,
Gandhinagar – 382025.

.... **Respondent/FC**

WITH

I.A. No.1019/NCLT/AHM/2026

Mr. Pawankumar Jagetia,
RP of Balmukund Kajodimal Lohiya,
PG of M/s. Exemplar Alloys LLP.
IBBI REG No.
IBBI/IPA-001/IP-P00800/2017-2018/11366
Also, having address at:
508, 21st Century Business Center,
Ring Road, Beside World Trade Centre,
Surat, Gujarat – 395002.

.... Applicant/RP

VERSUS

1. **Balmukund Kajodimal Lohiya**
Having address at:
Girirajdham, Flat No. 504,
Fifth Floor, Street No.3,
Rajnagar Saru Section Road,
Jamnagar City, Gujarat – 361006.

2. **State Bank of India**
Stressed Assets Recovery Branch (SARB)
Address at: 4th Floor, Left Wing,
Old LHO Building, Bhadra, Lal Darwaja,
Ahmedabad – 380001, Gujarat.

Also having address at:
State Bank of India
GIDC Electronics Branch
Sector 25, GIDC,
Gandhinagar – 382025, Gujarat.

.... Respondents

CP (IB) No.171/NCLT/AHM/2026
with
I.A. No.1020/NCLT/AHM/2026

In the Matter of: Mr. Aashrik Shreekant Jhawar:

C.P. (IB) No. 171/NCLT/AHM/2026

Aashrik Shreekant Jhawar
Having address at:
13, Bhimnath Society,
Shahibaug, Ahmedabad,
Gujarat – 380004.

Also, having address at:
11, Chandanwadi Estate,
Near Circuit House,
Shahibaug, Ahmedabad,
Gujarat – 380004.

……. Petitioner/PG

VERSUS

State Bank of India
Stressed Assets Recovery Branch,
4th Floor, Left Wing,
Old LHO Building,
Bhadra, Lal Darwaja,
Ahmedabad – 380001, Gujarat

Also, having address at:
GIDC Electronics Estate Branch,
Sector 25, GIDC,
Gandhinagar – 382025.

……. Respondent/FC

WITH

I.A. No.1020/NCLT/AHM/2026

Mr. Pawankumar Jagetia,
RP of Mr. Aashrik Shreekant Jhawar,
PG of M/s. Exemplar Alloys LLP.
IBBI REG No.
IBBI/IPA-001/IP-P00800/2017-2018/11366
Also, having address at:
508, 21st Century Business Center,
Ring Road, Beside World Trade Centre,

Surat, Gujarat – 395002.

.... **Applicant/RP**

VERSUS

1. **Mr. Aashrik Shreekant Jhawar,**
P.G. of M/s. Exemplar Alloys LLP
Having address at:
13, Bhimnath Society,
B/H Circuit House, Shahibaug,
Ahmedabad, Gujarat – 380004.

2. **State Bank of India**
Stressed Assets Recovery Branch (SARB)
Address at: 4th Floor, Left Wing,
Old LHO Building, Bhadra, Lal Darwaja,
Ahmedabad – 380001, Gujarat.

Also having address at:
State Bank of India
GIDC Electronics Branch
Sector 25, GIDC,
Gandhinagar – 382025, Gujarat.

.... **Respondents**

Order Pronounced On: 20.08.2026

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 Petitioners/PGs	: Mr. Ritesh D. Patadia, Advocate
For the Applicant/RP	: Mr. Nipun Singhvi, Advocate a/w Mr. Rahul Bhavsar, Advocate
For the Respondent/FC	: Ms. Nitu Chaturvedi, Advocate.

C O M M O N   O R D E R
(Per Bench)

1. This common order is being passed in the following Company Petitions filed under Section 94(1) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the "Code"), seeking initiation of the insolvency resolution process in respect of the respective Personal Guarantors of M/s. Exemplar Alloys LLP: -

CP(IB) No.	IA No.	Petitioner / PG	Respondent(s)
169/NCLT/ (AHM)/2026	IA 1019/AHM/ 2026	Balmukund Kajodimal Lohiya V/s. State Bank of India	Mr. Pawankumar Jagetia, RP of Mr. Balmukund Kajodimal Lohiya, Personal Guarantor of M/s. Exemplar Alloys LLP Vs. Mr. Balmukund Kajodimal Lohiya & State Bank of India
171/NCLT/ (AHM)/2026	IA 1020/AHM/ 2026	Aashrik Shreekant Jhawar V/s. State Bank of India	Mr. Pawankumar Jagetia, RP of Mr. Aashrik Shreekant Jhawar, Personal Guarantor of M/s. Exemplar Alloys LLP Vs. Mr. Aashrik Shreekant Jhawar & State Bank of India

2. Both the Petitions arise from the same underlying credit facilities availed by M/s. Exemplar Alloys LLP and involve common questions of fact and law concerning its respective Personal Guarantors. Accordingly, for convenience and to avoid repetition, the matters are being considered and disposed of by this common order.

3. The Petitions have been filed by Mr. Balmukund Kajodimal Lohiya and Mr. Aashrik Shreekant Jhawar, being Personal Guarantors of M/s. Exemplar Alloys LLP, under Section 94(1) of the Code 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.

4. The relevant facts common to both the Petitions, as borne out from the pleadings and documents placed on record, are briefly stated as under: -

4.1 M/s. Exemplar Alloys LLP was sanctioned Cash Credit facilities of Rs.520 lakhs and Term Loan facilities of Rs.80 lakhs, aggregating to Rs.600 lakhs, vide sanction letter dated 19.02.2022. The respective Petitioners executed Personal Guarantee Agreements securing the said facilities.

4.2 Upon review and enhancement of the facilities on 08.08.2023, Cash Credit facilities of Rs.600 lakhs and Term Loan facilities of Rs.68 lakhs, aggregating to Rs.668 lakhs, were sanctioned. The respective Petitioners executed the corresponding Personal Guarantee Agreements in respect thereof.

4.3 Thereafter, on 30.07.2024, the facilities were further reviewed and renewed, comprising Cash Credit of

Rs.600 lakhs, Term Loan of Rs.51 lakhs and Bank Guarantee facilities of Rs.150 lakhs, aggregating to Rs.801 lakhs. The respective Petitioners also executed Personal Guarantee Agreements securing the said facilities.

4.4 The loan account of M/s. Exemplar Alloys LLP was classified as Non-Performing Asset on 29.05.2025. The Financial Creditor thereafter issued a Recall/Legal Notice dated 04.10.2025 demanding payment of the outstanding dues.

4.5 The Financial Creditor thereafter invoked the Personal Guarantees and issued demand notices calling upon the respective Personal Guarantors to discharge the outstanding liability of Rs.8,52,73,851.61 as on 31.03.2026. The exact date of the demand notice shall be read in accordance with the original notice placed on record.

4.6 The Petitioners submit that they are unable to discharge their liabilities arising from the Personal Guarantees and have, therefore, invoked the statutory mechanism under Section 94 of the Code for resolution of their debts through the personal insolvency resolution process and submission of a repayment plan.

4.7 Accordingly, the respective Petitioners have filed the present applications under Section 94(1) of the Code seeking initiation of the insolvency resolution process in respect of their respective debts as Personal Guarantors.

5. Vide orders dated 03.06.2026, this Adjudicating Authority appointed Mr. Pawankumar Jagetia, bearing Registration No. IBBI/IPA-001/IP-P00800/2017-2018/11366, as Resolution Professional under Section 97 of the Code in respect of the respective Personal Guarantors, with directions to examine the applications and submit Reports under Section 99 of the Code.

6. Upon examination of the respective applications, documents and material placed before him, and after seeking such further information and explanation as considered necessary, the Resolution Professional submitted Reports under Section 99 of the Code recommending acceptance of both the applications. The Reports were placed on record through I.A. No.1019/NCLT/AHM/2026 and I.A. No.1020/NCLT/AHM/2026.

7. The Reports submitted by the Resolution Professional are recommendatory in nature. Accordingly, the said Reports, the pleadings of the parties and the material placed on

record have been independently considered by this Adjudicating Authority while deciding the present Petitions.

8. The Financial Creditor, State Bank of India, has filed Affidavits-in-Reply opposing the Petitions. The common substance of its objections is briefly summarised as under:

8.1 The Financial Creditor contends that the present Petitions have not been filed with bona fide intentions of seeking insolvency resolution and have been instituted after initiation of recovery proceedings under the SARFAESI Act, 2002, with the object of delaying or frustrating such proceedings.

8.2 It is further alleged that the respective Petitioners have not made complete disclosures regarding their bank accounts, assets, liabilities and financial dealings, including transactions concerning other entities with which they are alleged to be associated.

8.3 The Financial Creditor further alleges that substantial transactions between certain entities associated with the Petitioners require examination and that preliminary scrutiny of the accounts indicates possible diversion or rotation of funds. It is stated that a forensic auditor has been appointed in relation to such transactions.

8.4 The Financial Creditor submits that several other entities associated with the respective Petitioners have also availed credit facilities and have been subjected to recovery proceedings before the Debt Recovery Tribunal. According to the Financial Creditor, these circumstances, together with the timing of the present applications, indicate mala fide intention.

8.5 It is further contended that the Reports submitted by the Resolution Professional under Section 99 have not adequately considered the pending recovery proceedings and the aforesaid circumstances and, therefore, should not be accepted without independent scrutiny by this Adjudicating Authority.

8.6 The Financial Creditor has also referred to recovery proceedings concerning other entities, including proceedings under the SARFAESI Act, and contends that the filing of the present applications after such proceedings were initiated demonstrates an attempt to obstruct or delay recovery of the outstanding dues.

8.7 On the aforesaid grounds, the Financial Creditor submits that the present applications constitute an abuse of the insolvency resolution process and prays for their rejection.

9. The respective Petitioners have filed rejoinders to the replies of the Financial Creditor. As the rejoinders are substantially similar, their common submissions are briefly summarised as under: -

9.1 The Petitioners reiterate the contents of their respective applications and rely upon the documents filed therewith as well as the Reports submitted by the Resolution Professional under Section 99 of the Code.

9.2 The Petitioners deny that the applications have been filed with mala fide intent or for the purpose of frustrating recovery proceedings. It is submitted that Section 94 provides a statutory mechanism enabling a Personal Guarantor to initiate the insolvency resolution process and that the filing of an application after initiation of recovery proceedings does not, by itself, establish mala fides.

9.3 The Petitioners deny any suppression of their assets, liabilities or bank accounts and submit that the particulars required under Form A, including details of their assets, liabilities and guarantees forming the subject matter of the applications, have been disclosed along with supporting documents.

9.4 The Petitioners further submit that the other entities referred to by the Financial Creditor are distinct borrowers having separate credit facilities and separate recovery proceedings. It is contended that the pendency of such proceedings does not affect the present applications concerning the liabilities arising from the guarantees furnished in respect of M/s. Exemplar Alloys LLP.

9.5 The Petitioners deny allegations of diversion of funds or fraudulent conduct and submit that the forensic exercise referred to by the Financial Creditor has not culminated in any completed forensic report or adverse finding against them.

9.6 The Petitioners further deny that the failure to propose restructuring or a One-Time Settlement before filing the applications establishes mala fide intent. According to them, the financial distress and inability to discharge the guaranteed liabilities led them to invoke the statutory remedy available under Section 94 of the Code.

9.7 The Petitioners submit that the Reports under Section 99 have been prepared after examination of the material placed before the Resolution Professional and cannot be characterised as mechanical merely because the Financial Creditor disputes the conclusions thereof.

9.8 It is further submitted that the interim moratorium under Section 96 commenced upon filing of the respective applications, whereas the moratorium contemplated under Section 101 would operate upon admission of the applications in accordance with the provisions of the Code.

9.9 On the aforesaid grounds, the Petitioners pray for admission of their respective applications under Section 100 of the Code.

10. We have heard the learned Counsel appearing for the respective Petitioners/Personal Guarantors, the learned Counsel appearing for the Financial Creditor and the learned Counsel appearing for the Resolution Professional. We have also perused the respective applications, replies, rejoinders, documents placed on record and the Reports submitted under Section 99 of the Code.

11. The present Petitioners have been filed by the respective Personal Guarantors themselves under Section 94(1) of the Code. The material placed on record indicates that M/s. Exemplar Alloys LLP was sanctioned credit facilities from time to time and that the respective Petitioners furnished Personal Guarantees securing the liabilities arising from such facilities.

12. The account of M/s. Exemplar Alloys LLP was classified as Non-Performing Asset on 29.05.2025. The Financial Creditor thereafter invoked the respective Personal Guarantees and called upon the Petitioners to discharge the outstanding liability. On consideration of the guarantee documents, the demand notices and the other material placed on record, the existence of the guaranteed debt and occurrence of default stand established.

13. Pursuant to the orders passed under Section 97 of the Code, the Resolution Professional examined the respective applications and submitted Reports under Section 99 recommending their acceptance. The Hon'ble Supreme Court in ***Dilip B. Jiwrajka v. Union of India & Ors.***, 2023 INSC 1018, has explained that the Report submitted by the Resolution Professional is recommendatory in nature and that the Adjudicating Authority is required to independently consider the material before deciding whether an application is liable to be admitted or rejected under Section 100 of the Code

14. The principal objection of the Financial Creditor is that the applications have been filed after initiation of recovery proceedings under the SARFAESI Act, 2002 and are intended to obstruct such proceedings. Mere pendency or prior initiation of recovery proceedings, however, does not by itself constitute a ground for rejection of an application which otherwise satisfies the statutory requirements of the Code.

15. The allegations concerning non-disclosure of accounts, transactions with other entities, diversion of funds and the proposed forensic examination have also been considered. At this stage, the material placed on record does not establish any ground warranting rejection of the present applications under Section 100 of the Code. No opinion is expressed in the present proceedings on the merits of such allegations, which shall remain subject to such proceedings or action as may be permissible in accordance with law.

16. Upon independent consideration of the respective applications under Section 94, the Reports submitted under Section 99, the replies, rejoinders and the material placed on record, we are satisfied that the statutory requirements for admission of both the applications under Section 100 of the Code are fulfilled.

17. Accordingly, **CP (IB) No.169/NCLT/AHM/2026 and CP (IB) No.171/NCLT/AHM/2026**, filed by the respective

Personal Guarantors under Section 94(1) of the Insolvency and Bankruptcy Code, 2016, are hereby **admitted under Section 100 of the Code**, and the insolvency resolution process in respect of the respective Personal Guarantors shall commence from the date of this order.

18. **Mr. Pawankumar Jagetia**, bearing Registration No. IBBI/IPA-001/IP-P00800/2017-2018/11366, shall continue as the Resolution Professional in respect of the respective Personal Guarantors and shall perform the duties and functions assigned under the Code and the applicable Regulations.

19. In terms of Section 101 of the Code, a moratorium shall commence from the date of admission and shall cease to have effect at the end of 180 days beginning with the date of such admission or on the date on which this Adjudicating Authority passes an order on the repayment plan under Section 114 of the Code, whichever is earlier. The consequences stipulated under Section 101 of the Code shall follow during the subsistence of the moratorium.

20. The Resolution Professional shall cause a public notice under Section 102 of the Code to be issued within seven days from the date of this order in the prescribed manner, inviting claims from creditors, and shall thereafter proceed in accordance with the applicable provisions of the Code and the relevant Regulations.

21. Consequently, **I.A. No.1019/NCLT/AHM/2026** and **I.A. No.1020/NCLT/AHM/2026**, filed for placing on record the respective Reports submitted under Section 99 of the Code, stand disposed of. The Registry shall provide a copy of this order, along with the respective application and the Report of the Resolution Professional, to the creditors within seven days from the date of this order in terms of Section 100(3) of the Code and shall communicate the order to the respective Personal Guarantors and the Resolution Professional forthwith.

22. State Bank of India, the creditor in this order, or any other creditors to M/s Exemplar Alloys LLP, who file their claims with the Resolution Professional shall share all the relevant information including that referred in paragraph 8 of this order with the Resolution Professional and the

Resolution Professional shall use the same for preparing the statement of affairs of the Personal Guarantor as required under section 107 (3)(b) of the Code and Regulation 10 of the IBBI (Insolvency Resolution Process) Regulations, 2019.

23. The Resolution Professional shall include the information on the meeting of creditors (section 107 of the Code) in the progress report submitted to this Adjudicating Authority.

-Sd- -Sd-

SANJEEV SHARMA
MEMBER (TECHNICAL)

SHAMMI KHAN
MEMBER (JUDICIAL)

Alpesh (PS)