IN THE NATIONAL COMPANY LAW TRIBUNAL

ALLAHABAD BENCH, PRAYAGRAJ

CP (IB) NO.115/ALD/2025 with IA No. 50/2026

(An application under Section 95 of the Insolvency and Bankruptcy Code, 2016, read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtor) Rules, 2019 for passing order under section 100 of the Code, 2016.)

IN THE MATTER OF:

Equentia Financial Service Private Limited
Registered Office at; 5th Floor Satyam Tower
Off. Govandi Station Road, Deonar, Mumbai - 400 088

…… Petitioner/ Financial Creditor

Versus

Mr. Rakesh Kumar Goel
Having present address at -173,
New Rajdhani Enclave, Sneh International School,
Vikas Marg, East Delhi, New Delhi-110092

….. Respondent/Personal Guarantor

AND IN THE MATTER OF:

Satyendra Sharma
Resolution Professional qua Rakesh Kumar Goel
Personal Guarantor of M/s. H.Q Lamps Manufacturing Co. Pvt. Ltd.
IP Regd. No.: IBBI/IPA-002/IP-N00737/2018-19/12260
Address: M-3, Block No. 51, Anupam Plaza- II, First Floor
Above Axis Bank, Sanjay Place, Agra, Uttar Pradesh, 282002

... **Applicant**

Order Pronounced on: 06.10.2026

Coram:

Mr. Praveen Gupta	:	Member (Judicial)
Mr. Ashish Verma	:	Member (Technical)

***Appearances*: -**

Ms. Nisha Ojha, Adv. for Sh. Utkarsh Malviya, Adv.	:	For the Financial Creditor
Sh. Adarsh Rai, Adv.	:	For the RP, Mr. Satyendra Sharma present in person

Sh. Atul Bhatia, Adv. : For Personal Guarantor

ORDER

1. This Application has been filed on 07.11.2025 under Section 95 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016/ The Code") r/w Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 (hereinafter referred to as "PIRP Rules") by Equentia Financial Services Pvt. Ltd. ("Applicant/Financial Creditor"). The prayer made is to initiate the Personal Insolvency Resolution Process (hereinafter referred to as "PIRP") in respect of Mr. Rakesh Kumar Goel ("Respondent/Personal Guarantor"), the Personal Guarantor of the Corporate Debtor i.e., M/s HQ Lamps Manufacturing Co Private Limited ("Corporate Debtor"). The Date of Default, as mentioned in Part-III of the Petition is 04.01.2025.

2. Part – I of the Application sets out the details of the Applicant having address at 5th Floor Satyam Tower Off. Govandi Station Road, Deonar, Mumbai-400 088. Part-II of the Application sets out the details of the Respondent/ Personal Guarantor having address at 173, New Rajdhani Enclave, Sneh International School, Vikas Marg, East Delhi, New Delhi-110092 and the details of the Corporate Debtor, M/s H.Q. Lamps Manufacturing Co. Private Limited for which guarantee is given, is having its office at A77, FIRST FLOOR, SECTOR-2, Gautam Buddha Nagar, Noida, Uttar Pradesh, India,

201301. Hence, this Tribunal has jurisdiction over this case under Section 60(3) of the IBC.

3. Part – III of the Application provides the particulars of the debt which in the present case is Rs. 5,75,85,882/- (Rupees Five Crore Seventy-Five Lakhs Eighty-Five Thousand and Eight Hundred Eighty-Two Only), including interest as on 03.09.2025. The default is continuing in nature, with the first date of default being 06.12.2024, then subsequent defaults on 21.12.2024 and finally on 04.01.2025 as mentioned in the application.

4. The Applicant/ Financial Creditor has submitted that the Corporate Debtor, in furtherance of its business requirements, approached the Financial Creditor for availing financial assistance in the form of a sales invoice discounting facility for an amount of Rs. 10,00,00,000/-. Subsequently, the said discounting facility was sanctioned vide sanction letter dated 08.08.2023 by the Financial Creditor to the Corporate Debtor for business purposes for a specified tenor with an applicable rate of interest @ 15% per annum at the time of issuance of the sanction letter. Accordingly, a Facility Agreement dated 08.08.2023 was executed between the Corporate Debtor and the Financial Creditor for the purchase invoice discounting facility for a sum of Rs. 10,00,00,000/-, wherein the Respondent/ Personal Guarantor has also issued an unconditional and irrevocable continuing guarantee in favour of the Financial Creditor. Subsequently, the Facility Agreement was

amended on various occasions to incorporate new "End clients", and to increase the sanctioned amount of discounting facility from Rs. 10,00,00,000/- to Rs. 15,00,00,000/- vide subsequent amendments dated 16.08.2024. On bills getting discounted after being presented to the Financial Creditor, the loan amount was disbursed to the Corporate Debtor from time to time as per the account statement furnished by the Financial Creditor/ Applicant, which has been attached as Annexure M with the present application.

5. Furthermore, a Deed of Personal Guarantee dated 09.08.2023 as amended by the Amendatory Agreement dated 16.08.2024, was executed by Rakesh Kumar Goel (DIN: 01879643), who is also the Director of the Corporate Debtor, vide which he guaranteed the repayment of the amount becoming due on the said invoice discounting facility availed by the Corporate Debtor from the Financial Creditor.

6. As per the terms of the Deed of Personal Guarantee, it was agreed by the Respondent/ Personal Guarantor that in the event of any default by the Corporate Debtor in payment of outstanding dues, or failure to comply with the terms and conditions of the said Discounting Facility Agreement, the Respondent shall, on demand, be obliged to clear the debt of the Corporate Debtor without any demur or protest.

7. Subsequent to availing of the aforesaid invoice discounting facility, the Corporate Debtor/Principal Borrower failed to maintain financial discipline in terms of the facility agreement and Corporate Debtor defaulted in repayment of outstanding debts due to Financial Creditor. In light of the continued default by the Corporate Debtor, Applicant sent a Loan Recall Notice dated 20.12.2024 to the Corporate Debtor and to the Respondent/Personal Guarantors, calling upon them to jointly and severally pay the outstanding sum of Rs. 13,17,04,405/- together with further interest and other charges as on 20.12.2024. Applicant also sent a demand certificate dated 20.12.2024 to the Respondent/ Personal Guarantor in terms of the Guarantee Deed and thereby invoking the guarantee of the Personal Guarantor to repay the outstanding amount of Rs. 13,17,04,405/- as on 20.12.2024 due to the Corporate Debtor.

8. Applicant also submits that some payments were made by the Corporate Debtor/Principal Borrower after issuance of the demand notice, and the last payment received by the Applicant was on 22.03.2025. However, the Corporate Debtor and Personal Guarantor again failed to repay the remaining outstanding debt due to the Applicant/ Financial Creditor. Thus, the Financial Creditor duly served a Demand Notice dated 14.08.2025 under Section 95(4)(b) of the Insolvency and Bankruptcy Code, 2016 to Mr. Rakesh Kumar Goel, the Personal Guarantor in Form B as per Rule 7(1) of

the PIRP Rules. The statutory demand notice in Form B demanded payment of outstanding dues amounting to 5,75,85,882/- including interest as on 24.07.2025.

9. The Personal Guarantor also failed to clear the outstanding debt due to the Applicant within 14 days from the receipt of the Demand Notice in Form B, as mandated under the IBC.

10. The Applicant has also annexed the NeSL record of default in FORM D dated 23.09.2025, evidencing record of default issued by NeSL in respect of the Corporate Debtor, which has been attached as Annexure-H in Pg nos. 106-117 of the application.

11. Consequently, the Application under section 95 of the Code read with Rule 7(2) of PIRP Rules has been filed by the Applicant/ Financial Creditor against the Respondent Personal Guarantor with a prayer to initiate PIRP against the Respondent/ Personal Guarantor.

12. On filing of the Application u/s 95 on 07.11.2025, this Tribunal, vide order dated 08.12.2025, appointed Mr Satyendra Sharma with Registration No. IBBI/IPA-002/IP-N00737/2018-2019/12260 as Resolution Professional, and ordered him to examine whether the Company Petition is as set out in Section 97(6) of IBC, 2016 and recommend on acceptance or rejection of the application, as the case may be.

REPORT BY RESOLUTION PROFESSIONAL

13. The Resolution Professional (hereinafter referred as 'RP') has filed an Interlocutory Application bearing IA No. 50/2026 on 13.12.2025 for submitting report u/s 99(1) of the Code.

14. The Resolution Professional submitted his report under section 99 before this Tribunal vide diary no. 234 dated 29.01.2026 with the following prayers:

> *"a. To take on record the Report under section 99 of IBC;*
> *b. Pass an order commencing Insolvency Resolution Process against Mr. Rakesh Kumar Goyal, Personal Guarantor to M/s H.Q Lamps Manufacturing Co Private Limited, and declare a moratorium in terms of Section 101 of IBC;*
> *c. Pass an order for conducting negotiations between the Personal Guarantor and the creditors in terms of Section 100 of IBC; and*
> *d. Pass any other necessary order(s)/direction(s) as this Hon'ble NCLT may deem fit and proper.*

15. Further, it is stated that the report is filed in compliance with Section 99 of the Code. It is apparent that the report is filed recommending initiation of PIRP against the Personal Guarantor Mr. Rakesh Kumar Goel.

16. Observation of the Report filed under Section 99 of the Code is as follows:

Section 99	Particulars	Compliance	Reference
Sub-Section (1)	The Resolution Professional shall examine the application referred to in Section 94, as the case may be, within ten days of his appointment and submit a report to the Adjudicating Authority recommending the approval or rejection of the application.	Copy of order dated 04.12.2023 of appointment which was received on 12.12.2023	Petition filed on **22.12.2023**
(2)	Where the application has been filed under section 94, the resolution professional may require the debtor to prove repayment of the debt claimed as unpaid by the creditor by furnishing— (a) evidence of electronic transfer of the unpaid amount from the bank account of the debtor; (b) evidence of encashment of a cheque issued by the debtor; or (c) a signed acknowledgment by the creditor accepting receipt of money.	Copy of E-mail dated 16.12.2023 in compliance of Section 99(2) of Insolvency & Bankruptcy Code, 2016.	In the RP report as **Exhibit-1 (Colly)** on page no. **33-49**
(3)	Where the debt for which an application has been filed by a creditor is registered with the information utility, the debtor shall not be entitled to dispute the validity of such debt.	Record of default issued the information utility on **23.08.2023** by Financial Creditor.	Annexed as **Annexure-II** in Volume-V at page no. **106-117** in the petition.

(4)	For the purpose of examining an application, the resolution professional may seek such further information or explanation in connection with the application as may be required from the debtor or the creditor or any other person who, in the opinion of the resolution professional, may provide such information.	Pursuant to Section 99(4) of Insolvency & Bankruptcy Code, 2016, the Resolution Professional sent an e-mail dated **16.12.2023** to the Personal Guarantor for seeking information.	In the RP report as **Exhibit-1 (Colly)** on page no. **33-49**
(5)	The person from whom information or explanation is sought under sub-section (4) shall furnish such information or explanation within seven days of receipt of the request.	On basis of petition u/s 95 of the Code, information has to be verified by Resolution Professional	In response of e-mail dated 16.12.2025 sent by the RP along with various reminders, the Financial Guarantor has not submitted any documents or satisfactory reply.
(6)	The Resolution Professional shall examine the application and ascertain that— (a) the application satisfies the requirements set out in section 94 or 95; (b) the Applicant has provided information and given explanation sought by the resolution professional under sub-section (4).	—	(a) Yes, the application filed under Section 95 by the Applicant satisfies the requirements set out under Section 95 of IBC, as pointed out Under head **RECOMMENDATION** at page no. **51** of

			the RP Report (at the end of the Report). (b) No information has been sought from the Applicant.
(7)	After examination of the application under sub-section (1), he may recommend acceptance or rejection of the application in his report.	—	Under head **RECOMMENDATION** at page no. **51** of the RP Report (at the end of the Report).
(8)	Where the Resolution Professional finds that the debtor is eligible for a fresh start under Chapter II, the resolution professional shall submit a report recommending that the application by the debtor under section 94 be treated as an application under section 81 by the Adjudicating Authority.	**Not eligible**	The Personal Guarantor is **not eligible** for a fresh start process. The same has not yet been notified.
(9)	The Resolution Professional shall record the reasons for recommending the acceptance or rejection of the application in the report under sub-section (7).	Reason has been given by the RP for recommending the acceptance of the application.	Para **71** of the RP Report. Under Head **REASONS FOR ACCEPTANCE OF THE APPLICATION** At page no. **50-51** of the RP Report.
(10)	The Resolution Professional shall give a copy of the report under	Proof of service attached in the Application for RP	**ATTACHED AS ANNEXURE**

	sub-section (7) to the debtor or the creditor, as the case may be.	Report filed by the RP to the NCLT.	**-3** in the Application for RP Report at page no. **80-81**

17. The Resolution Professional in his report recommended to initiate PIRP against Mr. Rakesh Kumar Goel, the Personal Guarantor and the relevant portion is extracted below:

> *"REASONS FOR ACCEPTANCE OF THE APPLICATION:*
>
> *31. That it is respectfully submitted that the matter was listed on 08.12.2025 for consideration, wherein the Hon'ble Bench confirmed the appointment of Resolution Professional and directed to submit the Report under Section 99 of the Insolvency and Bankruptcy Code, 2016. In compliance of this, the Resolution Professional recommends the reasons for admission of the application below:*
>
> *1. Existence of Debt:*
>
> *The application submitted by the creditor, Equentia Financial Service Pvt Ltd, clearly indicates the existence of a principal debt amounting to Rs. 3,95,21,514/- (Rupees Three Crore Ninty-Five Lakh Twenty-One Thousand Five Hundred Fourteen Only), as the Corporate Debtor defaulted on repayments. This debt arose from a sanctioned credit facility of Rs. 5,75,85,882/- (Rupees Five Crore Seventy-Five Lakh Eighty-Five Thousand Eight Hundred Eighty-Two Only), which has since escalated due to accrued interest and penalties.*
>
> *2. Default on Payment:*

The Corporate Debtor's account was classified as a Non-Performing Asset (NPA) on 04.01.2025, confirming that the debt has remained unpaid for an extended period. Thus, clear evidence of default has been established, fulfilling the prerequisite under Section 95(4) of the IBC.

3. Personal Guarantee:

The personal guarantor, Mr. Rakesh Kumar Goyal, executed an irrevocable deed of guarantee to secure the loan extended to the Corporate Debtor. The obligation under the guarantee is enforceable, and as indicated, the debt remains unsatisfied as per the latest records.

4. Compliance with Procedural Requirements:

The application adheres to the procedural mandates highlighted in Section 95 and Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019. The necessary documentation supporting the claim has been provided, including demand notices, replies, and the documented history of defaults.

5. Absence of Evidence of Repayment:

The Personal Guarantor has not provided satisfactory evidence of any repayments made towards the alleged dues despite multiple requests. This lack of response substantiates the creditor's claim of an outstanding debt.

6. Limitation period:

i. The petition bearing CP(IB)-115/ALD/2025 filed by the Financial Creditor is permissible under the Limitation Period.

ii. It is respectfully submitted that the application for initiation of insolvency proceedings against the Personal Guarantor be considered as filed within the prescribed limitation period.

RECOMMENDATION:

The Resolution Professional has examined the application in terms of the aforementioned provision and is of the opinion that the application satisfies the requirements set out in section 95 of the Code.

Given these factors, I, as the Resolution Professional, recommend the acceptance of the application under Section 99 of the Insolvency and Bankruptcy, Code as it meets the necessary criteria outlined in the Code.

The application filed by Equentia Financial Service Pvt Ltd for the Insolvency Resolution Process against Personal Guarantor Mr. Rakesh Kumar Goyal should be accepted based on the documented existence of default, the enforceable nature of the personal guarantee and lack of evidence presented by the guarantor contesting the debt claim.

The application filed by Equentia Financial Service Pvt Ltd for the Insolvency Resolution Process against Personal Guarantor Mr Rakesh Kumar Goyal should be accepted based on the documented existence of default, the enforceable nature of the personal guarantee and lack of evidence presented by the guarantor contesting the debt claim."

18. After filing of the above report of RP, notice to the Respondent Personal Guarantor was issued on 07.02.2026 by way of email and speed post giving two weeks' time to file reply/objections if any to the report of the RP. The affidavit of service of notice was filed vide diary no. 433 dated 23.02.2026.

REPLY OF THE RESPONDENT/ PERSONAL GUARANTOR

19. The Respondent/ Personal Guarantor has filed its reply dated 23.03.2026, wherein he has denied all the averments made by the Applicant/ Financial Creditor as well as RP in his report under Section 99 and submits as follows:

a. Respondent contends that the present petition is not maintainable as no CIRP has been initiated against the Principal Borrower, i.e. HQ Lamps Manufacturing Co. Pvt. Ltd.

b. Respondent submits that the present petition is liable to be dismissed at the threshold on account of material inconsistencies, contradictions and uncertainty in the computation of the alleged outstanding amount.

c. Respondent also contends that, even after issuance of the demand certificate, some payments were made by the Corporate Debtor, thereby demonstrating that the account was a running and continuous account and not a crystallised default

d. Respondent submits that the date of default being 04.01.2025 is arbitrary, incorrect and contrary to the Applicant's own record as the subsequent payments clearly negate the existence of any concluded outstanding debt.

e. Respondent also submits that the Applicant/ Financial Creditor failed to serve the Demand Notice under section 95(4)(b) read with Rule 7(1) upon the Respondent/ Personal Guarantor as there is no proof of service, email, Speed Post receipt, which is a mandatory precondition for initiating insolvency proceedings against Personal Guarantor.

REJOINDER OF THE APPLICANT/ FINANCIAL CREDITOR

20. The Applicant has filed a rejoinder vide diary no. 1111 of 20.05.2026 wherein the Financial Creditor submits as follows:

a. Applicant emphatically denies the contention of Respondent that pendency of CIRP against the Corporate Debtor is not a condition precedent for initiation of Personal Insolvency Proceedings.

b. Applicant denies the contention of Respondent and submits that the Demand Certificate dated 20.12.2024 is as per the contractual requirement under the Deed of Personal Guarantee.

c. Applicant also denies the contention of Respondent that the Demand Notice under section 95(4) has not been served. He submits that an email dated 14.08.2025 addressed to the Personal Guarantor/ Respondent reflecting proof of service of the Demand Notice upon the Personal Guarantor has been attached to the Rejoinder Affidavit as Annexure A.

d. Applicant submits that the guarantee of the Respondent under the Deed of Personal Guarantee was continuous in nature and partial payment by the Borrower does not discharge the Personal Guarantee. Applicant further submits that clause 4.3 of the deed of guarantee states that the liability of the Personal Guarantor is

unconditional, continuous and binding until the entire debt owed by the Borrower is discharged. Clause 4.3 of deed of Personal Guarantee is herein reproduced as follows for ready reference:

> *"4.3 This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Lender by the Borrower and shall be valid and binding on the Guarantor and operative until repayment in full of all monies due to the Lender under the Finance Documents (and the Lender issues a certificate in this regard)."*

FINDINGS OF THE TRIBUNAL

21. Heard the submissions made by the Learned Counsel for the Applicant, Resolution Professional, Respondent/ Personal Guarantor and perused the report submitted by the Resolution Professional.

22. As regards the issue of limitation, the date of default, as reflected in Part III of the Petition, is 04.01.2025, consequent to the personal guarantee of the Personal Guarantor having been invoked on 23.12.2024 by issuing a notice of invocation of Personal Guarantee dated 23.12.2024 and Demand Certificate dated 20.12.2024 in terms of the Deed of Personal Guarantee. Then, on continued default of repayment of the entire outstanding debt only some partial payment is made till 04.01.2025, the present Application has been filed on 07.11.2025, which is well within the period of three years prescribed under Article 137 of the Limitation Act, 1963, applicable to proceedings under the IBC, 2016.

23. As regards the objection of the Respondent/ Personal Guarantor, on non-initiation of CIRP against the Corporate Debtor, we find that this objection is not factually correct as in the present case, CIRP against the Corporate Debtor, i.e. M/S. HQ LAMPS MANUFACTURING CO. PRIVATE LIMITED has already been initiated in CP(IB) No. 14/ALD/2025 vide order dated 22.04.2026. However, it also settled law that for initiation of insolvency resolution process against the personal guarantor, initiation of CIRP against the Principal Borrower/ Corporate Debtor is not a condition precedent, as laid down by the Hon'ble Supreme Court in the case of **Mahendra Kumar Jajodia v. State Bank of India,** *(2022) ibclaw.in 32 SC*.

24. As regards the objection of the Respondent/ Personal Guarantor, on non-service of Demand Notice under Section 95(4)(b) of IBC, 2016, we find the Applicant has duly complied with the requirement of Section 95(4)(b) as the Demand Notice under Section 95(4)(b) of IBC has duly been served upon the Respondent/ Personal Guarantor through e-mail dated 14.08.2025, which has also been annexed as Annexure-A to the Rejoinder Affidavit.

25. Having regard to the above, we are satisfied that the Application is filed well within limitation and maintainable in law.

26. As regards the debt and default, the report filed by the RP under Section 99 and material submitted by the Financial Creditor u/s 95 have been considered.

27. As per the details and documents filed in the Application under Section 95, we have found that the Personal Guarantor, viz. Mr Rakesh Kumar Goel has executed a personal guarantee on 09.08.2023, as further amended by an amendatory agreement dated 16.08.2024 in favour of the Financial Creditor to secure the invoice discounting facility of Rs. 15 Crores availed by the Corporate Debtor, i.e. M/S. HQ LAMPS MANUFACTURING CO. PRIVATE LIMITED. Applicant has furnished NeSL Record of Financial Information in Form C and then further deemed to have been authenticated in Form D(ROD) issued by NeSL, establishes the existence of debt of Corporate Debtor and guarantee furnished by the Respondent/ Personal Guarantor. The said deed clearly records that in the event of default, the Personal Guarantor undertook to discharge the liability of the Corporate Debtor, on demand, without any demur or protest. The relevant excerpts from the Deed of Guarantee are reproduced herein as under:

> *"2.1 Guarantee*
> *The Guarantor irrevocably and unconditionally:*
> *(a) guarantees to the Lender punctual performance by the Borrower of all the Guaranteed Obligations; and*
> *(b) undertakes with the Lender that whenever the Borrower does not pay any amount as and when due under the Facility Agreement or any other Finance Documents (in accordance with the provisions thereof), the Guarantor will immediately on demand by the Lender, pay that amount as if it was the principal debtor and the primary obligor in respect of that amount."*

28. The record further reflects that the Corporate Debtor failed to maintain financial discipline and failed to clear the remaining outstanding debt due to the Financial Creditor. Applicant has also furnished the NeSL Record of Default in Form D, thereby establishing the existence of default by the Corporate Debtor. Hence, the Financial Creditor issued a Loan Recall Notice dated 20.12.2024 and demand certificate dated 20.12.2024, calling upon the Corporate Debtor and the Guarantor to jointly and severally repay outstanding dues of Rs. 13,17,04,405/- (including interest and penalties). The Financial Creditor has separately sent a Demand Certificate in terms of the Deed of Guarantee, thereby invoking the guarantee issued by Respondent Guarantor.

29. After issuance of notice, some part-payments were made by the Corporate Debtor to the Applicant/ Financial Creditor as himself admitted by the Applicant/ Financial Creditor and are also evidenced in the statement of account which has been attached as Annexure L to the present petition.

30. The Financial Creditor thereafter issued a statutory demand notice in Form B dated 14.08.2025 under Section 95(4)(b) of the Code, demanding payment of Rs. 5,52,03,032/- due as on 24.07.2025. The Guarantor again failed to discharge the liability within 14 days of service of notice.

31. The RP has verified the documents, including (i) Deed of Personal Guarantee dated 09.08.2023 as amended by the Amendatory Agreement

dated 16.08.2024, (ii) Payment Reminder Notice dated 06.12.2024 (iii) Loan Recall Notice dated 20.12.2024 (iv) Demand Certificate Dated 20.12.2024 (v) Notice of Invocation of Personal Guarantee dated 23.12.2024 (vi) Demand Notice under Section 95(4)(b) (vii) NeSL Record of Default (viii) Sanction Letter dated 08.08.2023 (ix) Facility Agreement dated 09.08.2023 and (x) Statement of Account of Corporate Debtor maintained by the Financial Creditor. The RP has categorically recorded that as on 24.07.2025, a sum of Rs. 5,75,85,882/- remains due and payable, and that the Guarantor has committed default in making the payment despite service of notices. Considering these documents, and making further enquiries, as provided u/s 99 of the Code, the RP u/s 99 has submitted the report vide I.A. No. 50/2026 recommending initiation of insolvency against the Respondent/ Personal Guarantor, which is taken on record and considered by us while passing this order.

32. The provisions of Section 128 of the Indian Contract Act, 1872 render the liability of the guarantor co-extensive with that of the principal debtor, unless otherwise provided. The personal guarantee executed by the Respondent herein is absolute, unconditional, and irrevocable. On perusal of the Deed of Guarantee dated 09.08.2023 as amended by the Amendatory Agreement dated 16.08.2024, we find that the Respondent had undertaken to pay forthwith, upon demand, all sums payable by the Corporate Debtor

under the facility documents. In the present case, despite the demand notice issued under section 95(4)(b) of the IBC, the Guarantor has failed to discharge his liability.

33. We have gone through the report dated 17.01.2026 filed by the RP, and we find that:

i. The Insolvency Petition satisfies the requirement of Section 95 of IBC, 2016 and has been filed in the requisite form, in terms of Section 95(1) read with Rule 7(1) and Rule 7(2) of the PIRP Rules, 2019, supported by requisite fee and documents.

ii. The Respondent Guarantor after being duly served with a demand notice dated 14.08.2025, has committed default in repayment of his debts; therefore, the requirement as set out under Section 95(4)(b) is satisfied.

iii. That the debts mentioned in the application are not excluded debts.

iv. That the Personal Guarantor is not eligible for a fresh start process provided under Chapter II of IBC, 2016.

34. Considering the above facts and circumstances and upon perusal of the documents on record, the CP (IB) No. 115ALD/2025 filed under Section 95 of the IBC, 2016 is hereby admitted, and the Personal Insolvency Resolution Process (PIRP) stands initiated against Mr. Rakesh Kumar Goel viz. the Respondent herein. We hereby direct as under:

i. Initiate Insolvency Resolution Process against the Respondent/Personal Guarantor. The moratorium in relation to all

the debts is declared, from today i.e. date of admission of the application, and shall cease to have effect at the end of the period of 180 days, or this Tribunal passes order on the repayment plan under Section 114 whichever is earlier as provided under Section 101 of IBC, 2016. During the moratorium period,

a. Any pending legal action or proceeding in respect of any debt shall be deemed to have been stayed, and

b. The creditors of the debtor shall not initiate any legal action or proceedings in respect of any debt; and

c. The debtor shall not transfer, alienate, encumber, or dispose of any of his assets or his legal rights or beneficial interest therein:

d. The provisions of this section shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

ii. The Insolvency Professional viz. Satyendra Sharma (e-mail: satyendrasirp@gmail.com and Contact No. 9719667691) having IBBI Registration No. IBBI/IPA-002/IP-N00737/2018-2019/12260 with valid AFA till 31.12.2026 is further appointed as Resolution Professional for carrying out PIRP against the Personal Guarantor, Mr. Rakesh Kumar Goel. Accordingly, he is directed to cause a public notice to be published on behalf of the Adjudicating Authority within 7 days of passing this Order on the website of the NCLT Allahabad Bench, inviting claims from all Creditors, within 21 days of such issue. The notice under Sub Section (1) of Section 102 shall include: -

a. Details of the order admitting the application;

b. Particulars of the resolution professional with whom the claims are to be registered; and

c. The last date for submission of claims.

iii. The publication of notice shall be made in two newspapers, one in English and other in Vernacular, which have wide circulation in the State where the Corporate Debtor and Personal Guarantor resides. The Resolution Professional shall furnish two spare copies of the notice to the Registry for the record.

iv. The Resolution Professional, in exercise of the powers conferred under Section 104, shall prepare a list of creditors on the basis of:

a. The information disclosed in the application filed by the debtor under Sections 94 or 95 as the case may be, and

b. Claims received by the Resolution Professional under Section 102 within 30 days from the date of the notice. The debtor shall prepare a repayment plan under Section 105, in consultation with the Resolution Professional, containing a proposal to the Creditors for restructuring of his debts or affairs.

v. The repayment plan may authorize or require the Resolution Professional to:

a. Carry on the debtor's, business or trade on his behalf or in his name: or

b. Realise the assets of the debtor; or

c. Administer or dispose of any funds of the debtor.

vi. The repayment plan shall include the following, namely;

a. Justification for preparation of such repayment plan and reasons based on which the creditors may agree upon the plan;

b. Provision for payment of fee to the Resolution Professional;

c. Such other matters as may be specified.

vii. The Resolution Professional shall submit the repayment plan along with her report on the plan to this Authority within a period of 21 days from the last date of submission of claims, as provided under Section 106.

viii. In case the Resolution Professional recommends that a meeting of the creditors is not required to be called, she shall record the reasons thereof. If the Resolution Professional is of the opinion that a meeting of the creditors should be summoned, she shall specify the details as provided under Section 106(3) of IBC, 2016. The date of meeting should not be less than 14 days or more than 28 days from the date of submission of the Report under subsection (1) of Section 106 of IBC, 2016, for which at least 14 days' notice to the creditors (as per the list prepared) shall be issued by all modes. Such notice must contain the details as provided under the provisions of Section 107 of IBC, 2016.

ix. The meeting of the creditors shall be conducted in accordance with Sections 108, 109, 110 & 111 of IBC, 2016. The Resolution Professional shall prepare a report of the meeting of the creditors on repayment plan with all details as provided under Section 112 of IBC, 2016 and submit the same to this Tribunal, copies of which shall be provided to the Debtor and the Creditors. It is made clear that the Resolution Professional shall perform his functions and

duties in compliance with the Code of Conduct provided under Section 208 of IBC, 2016.

x. The Resolution Professional shall submit his periodic reports before this Tribunal every 30 days.

xi. The Registry is directed to communicate the copy of order, to the concerned parties within seven working days and upload the same on the website immediately after the pronouncement of order.

35. Accordingly, the report of the RP is taken on record in IA No. 50 of 2026 and the recommendation of the RP report for admitting the petition is accepted. Hence, this IA No. 50 of 2026 is allowed and disposed off.

36. The present CP(IB) No. 115/2025 is admitted and PIRP is initiated against the Respondent Personal Guarantor.

37. Next date is fixed for compliance on 16.11.2026.

-Sd-
(Ashish Verma)
Member (Technical)

-Sd-
(Praveen Gupta)
Member (Judicial)

Date: 06.10.2026