IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH - I

C.P. (IB) NO.706/MB/2026

Under Section 95 of the Insolvency & Bankruptcy Code, 2016 r/w Rule 7(2) of the Insolvency and Bankruptcy (Application to the Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors), Rules, 2019.

In the matter of

STATE BANK OF INDIA

...Petitioner/Financial Creditor

Versus

MR. ULHAS V PRADHAN

…Respondent/Personal Guarantor

Order pronounced on: **22.10.2026**

Coram:

Prabhat Kumar	Sushil Mahadeorao Kochey
Member (Technical)	Member (Judicial)

Appearances:

For the Petitioner	:	Adv. Yahya Batatawala
For the Resolution Professional	:	Adv. Ishika Parmar

ORDER

BRIEF FACTS

1. The present Petition has been filed on 23.06.2026 under Section 95(1) of the Insolvency and Bankruptcy Code, 2016 ("IBC" or "the Code"), read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, by **State Bank of India** (hereinafter referred to as the "Petitioner/Financial Creditor") seeking initiation of the insolvency resolution process against **Mr. Ulhas V Pradhan** (hereinafter referred to as the "Respondent/Personal Guarantor") in respect of an outstanding debt of **Rs. 430,12,24,997.78/-** (Rupees Four hundred thirty crores twelve lakhs twenty-four thousand nine hundred and ninety-seven and seventy-eight paisa Only). As stated in Part III of the Petition, the date of default is stated to be **19.12.2015.**
2. The Petitioner is State Bank of India, a body constituted under the State Bank of India Act, 1955 (23 of 1955) having its registered address at Madame Cama Road, Nariman Point, Mumbai, Maharashtra, 400021 and branch at SAM Branch-I, "The Arcade", 2nd floor, World Trade Centre, Cuffe Parade, Colaba Mumbai-400005
3. M/s Transtech Turnkey Private Limited (CIN: U29299PN2002PTC017079) (hereinafter referred to as the "Principal Borrower" or the "Corporate Debtor") was incorporated on 25.06.2022 and has its registered office at 101, Mayfair Tower II, Wakdewadi Shjvajinagar, Pune, Maharashtra, India, 411005.
4. The Personal Guarantor, **Mr. Ulhas V Pradhan,** residing at Flat no 516, Sr. No. 1206/A/9," Anant" off Apte Road, Pune-411004 had executed a deed of personal guarantee in favour of the Financial Creditor to secure the due repayment of the credit facilities extended to the Corporate Debtor.

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SUBMISSIONS OF THE PETITIONER:

5. The Corporate Debtor approached the Financial Creditor in 2007 seeking financial assistance and applied for various credit facilities. Pursuant thereto, a Loan Agreement dated 19.06.2007 was executed between the Financial Creditor and the Corporate Debtor.
6. At the request of the Corporate Debtor, the Financial Creditor sanctioned various credit facilities, including a Corporate Loan Facility, Cash Credit Facility, Bank Guarantee Facility, and Letter of Credit Facility.
7. In consideration of the aforesaid credit facilities, the Respondent executed a Deed of Guarantee dated 19.06.2007 in favour of the Financial Creditor, thereby irrevocably and unconditionally guaranteeing the repayment of all amounts due and payable by the Corporate Debtor under the said facilities.
8. Subsequently, in or about 2008, the Corporate Debtor sought enhancement of the sanctioned credit limits, pursuant to which a Supplemental Loan Agreement dated 18.09.2008 was executed between the Financial Creditor and the Corporate Debtor. Thereafter, from time to time, the credit facilities were further enhanced and modified at the request of the Corporate Debtor, and various sanction letters, supplemental agreements, deeds, and other supplementary loan documents were executed between the parties.
9. It is submitted that, owing to persistent defaults in repayment, the loan account of the Corporate Debtor became irregular and was classified as a Non-Performing Asset (NPA) on 30.04.2015.
10. The Financial Creditor invoked the personal guarantee by issuing a Notice of Invocation of Guarantee dated 16.12.2015, which was duly received by the Respondent on 19.12.2015.
11. It is submitted that a sum of ₹430,12,24,997.78 (Rupees Four Hundred Thirty Crore Twelve Lakh Twenty-Four Thousand Nine Hundred Ninety-Seven and Seventy-Eight Paise only) remained due and payable by the

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Respondent to the Financial Creditor under the personal guarantee as on 30.05.2026.

12. The Financial Creditor thereafter issued a Demand Notice in Form B dated 19.01.2026. However, the Respondent failed to comply with the said notice and neglected to make payment of the amount demanded therein.
13. In view of the aforesaid defaults, the Petitioner has filed the present Petition under Section 95 of the Insolvency and Bankruptcy Code, 2016, seeking initiation of the insolvency resolution process against the Respondent, being the Personal Guarantor to the Corporate Debtor.

SUBMISSIONS OF THE RESOLUTION PROFESSIONAL:

14. This Tribunal, vide Order dated 30.06.2026, appointed Mr. Rajmal Labhchand Mogra as the Resolution Professional and directed him to submit a report under Section 99 of the Insolvency and Bankruptcy Code, 2016 ("the Code") within a period of 21 days. Pursuant thereto, the Resolution Professional filed IA(I.B.C)/3646 (MB) 2026 for placing the said report on record, which was taken on record by this Tribunal vide Order dated 24.08.2026.
15. The Resolution Professional submitted that upon examination of the documents provided by the Petitioner, it is noted that a Loan Agreement dated 19.06.2007 was executed between the Financial Creditor and the Corporate Debtor. Subsequently, Supplemental Loan Agreements dated 18.09.2008 and 30.11.2012 were executed to modify and supplement the terms of the original Loan Agreement. The Financial Creditor also issued Sanction Letters dated 27.03.2014 and 16.03.2015, renewing and modifying the credit facilities granted to the Corporate Debtor. The Personal Guarantor executed a Deed of Personal Guarantee dated 19.06.2007 in favour of the Financial Creditor, followed by Supplemental Deeds of Guarantee dated 18.09.2008, 30.11.2012, and 08.08.2014.
16. The Resolution Professional further noted that the loan account of the

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Corporate Debtor was classified as a Non-Performing Asset (NPA) on 30.04.2015.

17. It was further noted that the Financial Creditor invoked the Personal Guarantee by issuing a Notice of Invocation dated 16.12.2015. Thereafter, the Financial Creditor issued a Demand Notice in Form B dated 19.01.2026.
18. The Resolution Professional further submitted that no response had been received from the Personal Guarantor.
19. Upon consideration of the material on record, the Resolution Professional recommended admission of the present Petition under Section 100 of the Code, observing as follows:

> *"In light of the above, the Resolution Professional respectfully submits that the present Application satisfies the requirements of Section 95 of the Insolvency and Bankruptcy Code, 2016 and that the Report under Section 99 recommends admission of the Application. It is therefore prayed that this Hon'ble Tribunal may be pleased to pass appropriate orders under Section 100 of the Insolvency and Bankruptcy Code, 2016 by admitting the Application filed by the Financial Creditor against the Personal Guarantor Mr. Ulhas V Pradhan, and pass such further orders as this Hon'ble Tribunal may deem fit in the facts and circumstance of the case."*

FINDINGS & ANALYSIS:

20. Heard the learned counsel for the Petitioner and the Resolution Professional and perused the record, including the report submitted under Section 99 of the Code.
21. Despite having been given sufficient opportunities, the Personal Guarantor neither appeared nor filed a reply. Accordingly, the matter proceeded ex parte and is being considered on the basis of the material available on the record.
22. Upon perusal of the material on record, we find that the grant of credit

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facilities to the Principal Borrower, execution of the relevant loan and guarantee documents, classification of the loan account as a Non-Performing Asset (NPA), and issuance of notices are supported by documentary evidence. The documents placed on record include the Loan Agreement dated 19.06.2007; Supplemental Loan Agreements dated 18.09.2008 and 30.11.2012; Sanction Letters dated 27.03.2014 and 16.03.2015; the Deed of Guarantee dated 19.06.2007; and Supplemental Deeds of Guarantee dated 18.09.2008, 30.11.2012, and 08.08.2014, executed by the Personal Guarantor to secure the liabilities of the Principal Borrower.

23. The date of default has been stated to be 19.12.2015. The Petitioner also issued a Demand Notice in Form B dated 19.01.2026. It is further noted that the Petitioner had earlier issued a notice dated 16.12.2015 and a Recall Notice dated 01.03.2016 under Section 13(2) of the SARFAESI Act, 2002.

24. It is well settled that the invocation of a personal guarantee must be in accordance with the terms and conditions of the deed of guarantee. Where the guarantee is in the nature of an on-demand guarantee, a notice issued under Section 13(2) of the SARFAESI Act, specifically calling upon the personal guarantor to discharge the outstanding dues, constitutes a valid invocation of the guarantee. In this regard, the Hon'ble National Company Law Appellate Tribunal ***in Ujwal Gupta v. Union Bank of India & Anr.,*** *(2026) ibclaw.in 18 NCLAT,* has held as under:

> *"31. This Appellate Tribunal in Asha Basantilal Surana (Supra), which is a three member's decision, after considering Amanjyot Singh (Supra) and Mavjibhai Nagarbhai Patel (Supra) clearly holds that in a case where notice under Section 13(2) makes a demand as per the guarantee agreement between the parties, the notice has to be treated as a notice for invocation of bank guarantee. This appellate Tribunal in the above case has also distinguished the law laid down by this Appellate Tribunal earlier*

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in Amanjyot Singh (Supra), to be a case confined to its own facts, by observing in para 12 of the judgment, that the dismissal of the appeal in Amanjyot Singh case was on the facts of the said case and has no application in the facts of the case under scrutiny and also that the invocation of personal guarantee has to be in accordance with the terms of the guarantee agreement. We reproduce the para no. 12 of the aforesaid judgment (Asha Basantilal Surana) (Supra) for convenience herein below:

> *"12. Thus, the dismissal of the Appeal in the Amanjyot Singh's case was on the facts of the said case and has no application in the facts of the present case. The invocation of personal guarantee has to be in accordance with the terms of the Guarantee Agreement which is a settled law. Clause 7 of the Guarantee Agreement does not require any particular mode and manner of the demand notice. When demand notice is issued against the personal guarantor asking the personal guarantor to discharge its liabilities, the guarantee stands invoked. Whether notice under Section 13(2) in a particular case invoked the guarantee or not depends on the words and intent of the notice. For finding out as to whether Notice under Section 13(2) invoked the personal guarantee, the letters and words of the Notice has to be looked into to come to any conclusion that whether personal guarantor has been asked to discharge its liabilities or not. In the facts of the present case, we are of the considered opinion that the Notice under Section 13(2) issued by the State Bank of India is a clear demand notice from the Appellant to pay the amount of Rs.28,56,64,336.06/-." (Emphasis Supplied)*

32. Thus, what has been highlighted by the aforesaid judgment is that it would be the terms and conditions of the agreement executed between the parties with regard to the guarantee which would be relevant to assess as to whether the guarantee has been sufficiently invoked or not. Therefore, whether a guarantee may be invoked by giving notice under Section 13(2) of the SARFAESI Act depends on the terms of the guarantee and the content of the notice. If the notice clearly demands payment from the personal guarantor in terms of the guarantee, it can be treated as an invocation of the guarantee. The facts and the wording of the notice are crucial in this determination."

25. Accordingly, it is necessary to examine the terms and conditions of the Deed of Guarantee, as well as the demand notice issued under Section 13(2) of the SARFAESI Act, 2002. The relevant extract of the Deed of Guarantee dated 19.06.2007, duly executed by Guarantor No. 2, i.e., the Respondent herein, is reproduced below:

20. The Guarantors agree that the amount due under or in respect of the aforesaid credit facilities and hereby guaranteed shall be payable to the Bank on the Bank serving the Guarantors with a notice requiring payment of the amount and such notice shall be deemed to have been served on the Guarantors either by actual delivery thereof to the Gurantors or by despatch thereof by Registered Post or Certificate of Posting to the Guarantors address herein given or any other address in India to which the Guarantors may by written intimation give to the Bank or request that communication addressed to the Guarantors be despatched. Any notice despatched by the Bank by Registered Post or Certificate of Posting to the address to which it is required to be despatched under this clause shall be deemed to have been duly served on the Guarantors four days after the date of posting

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thereof, and shall be sufficient if signed by any officer of the Bank and in proving such service it shall be sufficient if it is established that the envelope containing such notice, communication or demand was properly addressed and put into the post office.

26. The original Deed of Guarantee was subsequently supplemented by deeds dated 18.09.2008, 30.11.2012, and 08.08.2014, modifying the limits of the credit facilities while keeping the original Deed of Guarantee, as amended, in full force and effect.

27. A plain reading of the aforesaid Deeds of Guarantee indicates that the guarantee furnished by the Respondent does not prescribe any specific mode for its invocation and is an on-demand guarantee. Accordingly, the guarantee becomes enforceable upon a valid demand being made by the Financial Creditor in accordance with the terms of the Deeds of Guarantee.

28. The records further reveal that the loan account of the Corporate Debtor was classified as a Non-Performing Asset (NPA) on 30.04.2015. Thereafter, the Petitioner issued a demand notice dated 16.12.2015 under Section 13(2) of the SARFAESI Act, 2002, to the Corporate Debtor, its Directors, and the Personal Guarantors, including Shri Ulhas V Pradhan, the Respondent herein. By the said notice, the addressees were called upon to discharge the outstanding dues in terms of the guarantees executed by them. According to the Petitioner, despite due service of the notice, neither the Corporate Debtor nor the Personal Guarantor discharged the outstanding liability. The relevant extract of the said notice is reproduced below for reference:

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Therefore, the Bank hereby calls upon you u/s 13(2) of the said Act by issuing this notice to discharge in full your liabilities stated hereunder to the Bank within 60 days from the date of receipt of this notice. Your outstanding liabilities (in aggregate) due and owing to the Bank is in the sum of Rs. **1191437443** crores (Rupees One Hundred nineteen Crores, fourteen Lacs, Thirty seven Thousand, four Hundred fourty Three Only) as on 14th December, 2015. You are also liable to pay future interest at the contractual rate on the aforesaid amount together with incidental expenses, cost, charges etc.

If you fail to repay to the Bank the aforesaid sum of Rs. **1191437443** crores (Rupees One Hundred nineteen Crores, fourteen Lacs, Thirty seven Thousand, four Hundred fourty Three Only) as on 14th December, 2015 with further interest and incidental expenses, costs as stated above in terms of this notice u/s 13(2) of the Act, the Bank will exercise all or any of the rights detailed under Sub Section (4) of Section 13 of the Act and under other applicable provisions of the said Act.

You are also put on notice of sub-section 13 of Section 13 you shall not transfer by sale, lease or otherwise the said secured assets detailed in Schedule 'C' of this notice without obtaining written consent of the Bank. We may add that non compliance with this provision is punishable u/s 29 of the said Act.

The Bank reserves its rights to call upon you to repay the liabilities that may arise under the outstanding Bills Discounted, Bank Guarantees and Letter of Credit issued and established on your behalf as well as other contingent liabilities.

This notice is without prejudice to the Bank's right to initiate such other actions or legal proceedings as it deems necessary under any other applicable provisions of Law.

Yours faithfully,

(Arvind Nema)
Asstt. General Manager and Authorized Officer

Copy forwarded to the directors of M/s. Trans Tech Turnkey Pvt. Ltd.

Shri Suranjan Kumar Santosh Chatterjee Flat No.10, Prasanna Apartments, 912, Shivajinagar,, Pune, 411004, Maharashtra, India	Transtech Chemicals Pvt. Ltd. 131 101, Mayfair Towers II, Wakewadi Shivajinagar, Pune-411 005 Maharashtra, India
Shri Alokendranath Ghosh 9, Marval Residency, Koregaon Park, South Main Road, Pune – 411 001 Maharashtra, India	Shri Ulhas Vasant Pradhan 5/6, Anant, C.T.S.No. 1206/A/9, Off. Apte Road, Shivajinagar, Pune, 411004, Maharashtra, India

You are requested to make the payment of the amount mentioned in the notice in terms of the guarantee executed by you.

2

29. A plain reading of the aforesaid notice leaves no manner of doubt that the Personal Guarantor was expressly called upon to discharge the outstanding dues, along with the Corporate Debtor, within 60 days of receipt of the notice. The demand was clear and unequivocal and was in consonance with the terms of the Deeds of Guarantee. Accordingly, we hold that the personal guarantee stood validly invoked by the demand notice dated 16.12.2015, which is stated to have been received by the Respondent on 19.12.2015. It is further noted that no acknowledgment of debt or liability was executed by the Respondent/Personal Guarantor thereafter.

30. Neither the Corporate Debtor nor the Personal Guarantor discharged the outstanding dues within the period of 60 days stipulated in the notice

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issued under Section 13(2) of the SARFAESI Act, 2002. Consequently, the default on the part of the Personal Guarantor occurred upon expiry of the said period of 60 days from the date of receipt of the demand notice on 19.12.2015, i.e., on 17.02.2016. Accordingly, the limitation period of three years expired on 16.02.2019. The present Petition under Section 95 of the Insolvency and Bankruptcy Code, 2016, having been instituted on 23.06.2026, is clearly beyond the prescribed period of limitation and is, therefore, barred by limitation.

31. It is noted that neither the Applicant Creditor nor the Resolution Professional has addressed the aspect of limitation, demonstrating as to how the present application filed on 23.06.2026 on the basis of occurrence of default on 17.02.2016 in payment of debt due upon invocation of guarantee pursuant to notice dated 16.12.2015 (received on 19.12.2015) issued under Section 13(2) of SARFAESI Act. The RP has mechanically opined that the said application is within limitation, however, we could not find documentary evidence in the application justifying extension of limitation period.

ORDER

32. In view of the foregoing discussion and for the reasons recorded hereinabove, C.P. (IB) No. 706 of 2026, filed under Section 95 of the Insolvency and Bankruptcy Code, 2016 by State Bank of India seeking initiation of the insolvency resolution process against Mr. Ulhas V Pradhan**,** stands dismissed as being barred by limitation. No order as to costs.

Sd/-	**Sd/-**
Prabhat Kumar	Sushil Mahadeorao Kochey
Member (Technical)	Member (Judicial)

Vijay Andhale (LRA)

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