

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 2030 of 2025**

**[Arising out of the Impugned Order dated 02.12.2025 passed by the Adjudicating Authority, National Company Law Tribunal, Ahmedabad Bench in IA No. 1214(AHM)/ 2025 in CP(IB)/395(AHM) 2025]**

**In the matter of:**

**Zankarsinh Kishorsinh Solanki**

R/o 43, Rutt, Tirthnagar Part-1  
B/h Sun and Step Club, Memnagar,  
Ahmedabad-380052.

.... Appellant

**Versus**

**1. Mr. Kanhaiyalal Salawat**

Insolvency Professional Bankruptcy Trustee  
702, Sahajanand Complex, Shahibaug road,  
Opp. Swaminarayan Temple,  
Ahmedabad, Gujarat-380004

**2. Bank of Baroda**

A body corporate constituted under  
The Banking Companies (Acquisition and  
Transfer of undertaking) Act 5 Of 1970  
having its Head Office at Mandvi, Baroda  
And its Corporate Office Centre at  
C-26, 'G' Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051

And one of its branches  
Known as Ashram Road Branch  
Situated at 188-A, Ashram Road,  
Dena Laxmi Building, Ahmedabad-380009

**3. ASREC (India) Limited**

(Formerly Volkswagen Finance Private Limited)  
CIN: U67100MH2003GOI143291  
Having Office at:  
Unit No. 201, 200A, 202 & 200B,  
Ground Floor, Build No. 2,  
Solitaire Corporate Park, Andheri (E),  
Andheri Kurla Road, Mumbai,  
Maharashtra, India-400059

**4. Saman Capital Pvt. Ltd.**  
(Known as Indiabulls Housing Finance Limited)  
CIN: L65922DL2005PLC136029  
Having Corporate office at:  
1st Floor Tower 3A,  
DLF Corporate Greens Sector 74A,  
Gurugram, Haryana, India-122004.

.... Respondent

**Present:**

For Appellant : Mr. I.H. Syed Sr. Advocate with Mr. Saurabh Agrawal, Ms. Laxita Upadhyay, Advocates.

For Respondent : Mr. Aryan Pudhiyar, Advocate for R1.

Ms. Nalini Lodha and Mr. Rohan Talwar, Advocates for R2.

**ORDER**  
**(Hybrid Mode)**

The present appeal filed under Section 61 of Insolvency and Bankruptcy Code 2016 (**IBC** in short) by the Appellant arises out of the Order dated 02.12.2025 (hereinafter referred to as '**Impugned Order**') passed by the Adjudicating Authority (National Company Law Tribunal, Ahmedabad Bench Bench-I) in IA No. 1214(Ahm)/2025 in C.P. (IB) No. 395(Ahm)/2025. By the impugned order, the Adjudicating Authority has disposed of the application IA/1214/AHM/2025 by granting permission to the Appellant to travel to USA subject to imposing of certain conditions. Aggrieved by the conditions laid down in the impugned order, the present appeal has been preferred by the Appellant.

2. Coming to the brief facts of the case, the Appellant is a personal guarantor to the Corporate Debtor-M/s Torque Automotive Pvt. Ltd. which was admitted into CIRP on 24.02.2021. The Appellant has approached the Adjudicating Authority for initiation of personal bankruptcy under Section 121(1) and 126(1) of the IBC which was admitted on 10.10.2025 and a Bankruptcy Trustee was appointed. Prior to admission of the Corporate Debtor into CIRP, the Bank of Baroda-Respondent No.2 had initiated proceedings before the DRT against the Corporate Debtor and the guarantors including the Appellant and pursuant to a complaint filed by the Bank of Baroda before the CBI, Look Out Circular (LOC) had been issued restricting the Appellant from travelling abroad. Since the LOC issued by the Bank of Baroda was still continuing, the Appellant filed SCA No. 13177 of 2025 before the High Court of Gujarat for suspension of the LOC and filed Civil Application No. 01 of 2025 in SCA No. 13177 of 2025 seeking permission to travel abroad during the pendency of SCA which is presently pending. The Appellant also filed IA No. 1214 of 2025 in CP(IB) No. 395 of 2025 before the Adjudicating Authority seeking permission to travel abroad to USA during the insolvency period under Section 141 of the IBC. The prayers contained in the IA No. 1214 of 2025 are as extracted hereunder:

*“(a) Permit the Applicant Mr. Zankarsinh Kishorsinh Solanki to travel abroad to the United States of America for the period from **18.10.2025 to 27.12.2025** or such other period as this Hon’ble Authority deem fit and to report back to this Hon’ble Adjudicating Authority upon his return;*

*(b) Direct that the Applicant shall keep the Bankruptcy Trustee informed of his travel itinerary, contact details abroad, and shall*

*remain available through electronic means during the said period;  
and*

*(c) Pass such other or further orders as this Hon'ble Authority may deem fit and proper in the interest of justice."*

**3.** The Adjudicating Authority has considered IA No. 1214 of 2025 and passed impugned order dated 02.12.2025 granting permission to the Appellant to travel to the USA subject to certain conditions as detailed out at para-33 thereof which reads to the following effect:-

*"However, considering the dependency of minor children's immigration status on the Applicant, their study and future career as claimed by the Applicant, a lenient view is taken. Permission is granted for travel to USA from 10.12.2025 to 31.01.2026, subject to the following conditions to safeguard creditors' interests which are as under:*

*(a) Considering the admitted claims exceeding Rs.142.46 Crore and risk of dissipation. The Applicant shall arrange to deposit Rs.40.00 Crores as security in the Special Bankruptcy (Interest Bearing) Account with Bankruptcy Trustee within 7 days to be refunded upon compliance and return from the USA, excluding from bankruptcy estate. However, in case of breach of any condition, the amount shall liable to be forfeited.*

*(b) The Applicant shall also execute bonds of two Solvent Sureties of Rs.50.00 Crores each, in the form of FDR or deposit of original clear title deeds of immovable property/ies owned by the Surety/es, valued equivalently after independent valuation), with the Bankruptcy Trustee.*

*(c) The Solvent Sureties shall assure on oath that the Applicant shall return India within the specified time and shall not*

*permanently migrate from India until the conclusion of the bankruptcy Proceedings initiated against him.*

*(d) The Applicant shall provide his detailed travel itinerary, contact details (including USA address and phone), to the Tribunal as well as to Bankruptcy Trustee and remain available via electronic means (video conferencing/email) for all proceedings.*

*(e) The Applicant's father, Shri Kishorsinh Solanki, shall attend all hearings and provide necessary cooperation as authorised representative.*

*(f) The applicant shall not seek any further extension to continue to stay, except for the itinerary that would be placed before the Tribunal as well as to Bankruptcy Trustee.*

*(g) Considering that, the bankruptcy proceedings are time bound, the Applicant shall also cooperate in the bankruptcy proceedings and respond to any queries raised by the bankruptcy trustee in a timely manner, even while being in the USA.*

*(h) The Applicant shall report back to this Tribunal within 7 days of return, filing an affidavit confirming compliance.*

*(i) Additionally, the Applicant shall comply with all other terms, conditions, disclosures, compliances as per applicable law and furnishing undertakings as required.*

*(j) Additionally, the Applicant shall comply with all other terms, conditions, disclosures, compliances as per applicable law and furnishing undertakings as required.*

*(k) The Bankruptcy Trustee shall file a compliance report every 15 days during the travel period, including verification of the applicant's virtual availability and any creditor grievances, with liberty to seek early revocation if non-cooperation is evident.*

*(l) This order is without prejudice to the proceedings before the Hon'ble High Court."*

4. Assailing the impugned order, it was vehemently contended by the Ld. Counsel for the Appellant that the conditions imposed by the Adjudicating Authority are extremely onerous and was akin to outright denial of permission to travel abroad. It was also submitted that the Appellant being personally bankrupt, he does not have the financial wherewithal to deposit Rs 40 Cr. as Security in the Special Bankruptcy (Interest Bearing) Account. It was also submitted that in view of the Appellant's bankrupt status, it would be difficult for the Appellant to ensure compliance to the other conditionality imposed by the Adjudicating Authority for execution of Bonds of two Solvent Sureties of Rs 50 Cr each. These conditions have created an intractable situation which was impossible to overcome and hence was as good as being denied the permission to travel abroad and that this denial to travel to USA would be extremely prejudicial to the interests of his family and himself. It was also added that these harsh conditionalities have been imposed on the Appellant by the Adjudicating Authority inspite of his being financially incapacitated basis the misleading contention raised by the Bankruptcy Trustee that the Appellant had not cooperated with them in disclosing the details of assets and other immovable properties. Attention was also drawn to the fact that the Court of Special Judge (CBI Court), Ahmedabad while according permission to the Appellant to travel to USA vide its order dated 08.07.2025 had imposed modest terms of Rs 20 lakh as Security Deposit and Surety Bond of Rs 5 lakh only. It was therefore urged that the impugned order may be modified and reasonable conditions imposed in respect of the Security Deposit and execution of Bonds of two Solvent Sureties.

**5.** Repelling the arguments canvassed by the Appellant, it was contended by the Ld. Counsel for the Respondent No.2-Bank of Baroda that they had filed an OA before the Debts Recovery Tribunal, Ahmedabad which is presently pending. Pointing out the unwholesome conduct of Appellant, it was submitted that the Appellant had flouted the directions of DRT to disclose particulars of properties/assets. It was also pointed out that though the Appellant had admitted before the High Court of Gujarat in SCA No. 10907 of 2025 that he had made huge investments in USA but failed to disclose details of such investments before the Adjudicating Authority. This shows that there were inconsistent statements made by the Appellant by claiming bankruptcy status on the one hand and making of huge investments on the other hand. It was emphatically asserted that the Appellant has also not submitted details of the foreign remittances purportedly being sent by his father to meet his expenses and that of his family in USA. It was also added that even the CBI and the Bureau of Immigration had also issued LOCs against the Appellant and the CA filed in the SCA before the High Court of Gujarat seeking permission to travel abroad was also pending.

**6.** It was therefore contended by the Respondent No.2 that the conditions imposed by the Adjudicating Authority cannot be seen to be unreasonable since there is an attendant risk of the Appellant trying to dissipate his assets abroad and frustrate the bankruptcy process and prejudice the interests of financial creditors. Echoing similar contentions as made by Respondent No.2, the Ld. Counsel of the Respondent No.1-Bankruptcy Trustee further added that the Appellant has not demonstrated the requisite level of cooperation to the

Bankruptcy Trustee. The Bankruptcy Trustee also objected to the request for travel abroad by the Appellant as his presence was much required for completing the time-bound bankruptcy proceedings.

**7.** We have duly considered the arguments advanced by the Learned Counsel for the parties and perused the records carefully.

**8.** When we look at the impugned order, we notice that the Adjudicating Authority has exhaustively considered the submissions and pleadings made by all the parties and recorded in details the sequence of events leading to bankruptcy proceedings and other related suits/proceedings/LOCs involving the Appellant which are either still ongoing or already decided by the competent forum. The Adjudicating Authority, in balance of consideration, at para 33 of the impugned order as extracted above has adduced reasons for allowing the Appellant to travel abroad. We find no good grounds to differ with the Adjudicating Authority on this count. However, what remains to be seen and examined by us is whether the conditionalities imposed by the Adjudicating Authority at para 33 which has been assailed by the Appellant warrants any interference.

**9.** Coming to the condition placed at para 33(a) directing the Appellant to make arrangements for deposit of Rs 40 Cr. as security, we are of the view that this stringent conditionality imposed by the Adjudicating Authority cannot be sustained since the Appellant has already been declared bankrupt and a Bankruptcy Trustee has already been appointed to administer the asset and estate of the bankrupt Appellant. When the Appellant has already become a bankrupt, it follows therefrom that the Appellant cannot be expected to have any

source available with him which he could tap for the purpose of provisioning this Security Deposit amount. We also do not find any material placed on record either by Respondent No.1 or Respondent No.2 to show that the Appellant was in possession of a sum of the magnitude of Rs 40 Cr or in a position to muster such a sizeable resource. Hence, we are inclined to agree with the Appellant that imposition of such an impossible condition which by its very nature cannot be practically fulfilled tantamount to blocking any possibility of the Appellant to travel abroad. We are therefore of the view that this condition deserves to be relaxed. As regards the condition placed at para 33(b) which mandates execution of bonds of two solvent sureties of Rs 50 Cr. each, we are of the view that this conditionality is reasonable and justified as the Adjudicating Authority is rightly persuaded that in the conspectus of given facts and circumstances, there is a pressing need to adequately safeguard the interests of the financial creditors also. We therefore do not feel it necessary to dilute this conditionality laid down in the impugned order at para 33(b). The other conditions at para 33(c) to (l) not having been disputed by the Appellant, we not feel the need of interfering with them.

**10.** In view of the aforesaid discussion, we allow the Appeal and accordingly modify the directions contained in para 33 of the impugned order as follows:

- (i) The impugned order in para 33(a) with regard to the amount of Rs 40 Cr. Security Deposit to be arranged by the Appellant is set aside.
- (ii) The conditionalities placed from para 33(b) to (l) in the impugned order shall however remain unchanged.

(iii) We also make it clear that the permission for travel by the Appellant to USA as allowed by the Adjudicating Authority will be without prejudice to any other permission that is required to be obtained by the Appellant whether it be from the CBI Special Court or the High Court of Gujarat where Civil Application No. 01 of 2025 in SCA No. 13177 of 2025 is pending or from any other competent authority/agency in accordance with law.

(iv) No order as to costs.

**[Justice Ashok Bhushan]  
Chairperson**

**[Barun Mitra]  
Member (Technical)**

**Place: New Delhi  
Date: 19.01.2026**

Harleen/Abdul