IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI, SPECIAL BENCH (COURT-II)
I.A. No. 5175/ND/2025
IN
C.P.(IB) – 985/ND/2020

IN THE MATTER OF:
(Under Section: 7 of IBC, 2016)

Hulas Rahul Gupta **... Petitioner/Guarantor**

Versus

Union Bank of India & Ors. **... Respondent/ Corporate Debtor**

AND IN THE MATTER OF IA. NO. 5175/ND/2025:

(Under Section: 138(1)(a) and 138(2) of IBC, 2016 r/w Rule 11 of NCLT Rules, 2016)

Mr. Viram Vishal Minhas,
Bankruptcy Trustee in the Bankruptcy Process of
Mr. Hulas Rahul Gupta
6009/6 Santushti Apartment, Sector D Pocket 6,
Vasant Kunj, South West,
National Capital Territory of Delhi-110070 **... Bankruptcy Trustee**

Versus

1. **Hulas Rahul Gupta**
   C-12, Friends Colony (East)
   New Delhi- 110065

2. **Union Bank of India**
   Unit No. 603B, 6th Floor,
   Konnectus Tower, Bhavbhuti Marg,
   New Delhi – 110001

3. **Bank of Baroda**
   Stressed Asset management Branch
   4th Floor, Rajendra Bhawan,
   Rajendra Place, New Delhi – 110008

4. Asset Reconstruction Company India Limited
The Ruby, 10th Floor,
29 Senpati Bapat Marg,
Dadar (West) Mumbai – 400028 **... Respondents**

<u>Order delivered on: 18.02.2026</u>

<u>CORAM:</u>

SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)
MS. REENA SINHA PURI, HON'BLE MEMBER (T)

<u>ORDER</u>

<u>PER: SHRI ASHOK KUMAR BHARDWAJ MEMBER (J)</u>

<u>IA-5175/ND/2025</u> : As can be derived from the application preferred by the Applicant Mr. Vikram Vishal Minhas viz. Bankruptcy Trustee, the Bankrupt Mr. Hulas Rahul Gupta promoted M/s Indosolar Limited a company incorporated on 08.04.2025. It was engaged in the business of manufacturing of solar cell. The manufacturing plant of the company is situated at 3C/1, Ecotech-II, Udyog Vihar, Greater Noida, Gautam Budh Nagar, Uttar Pradesh-201306.

2. The aforementioned company availed financial facility from a Consortium led by Union Bank of India. Initially, the amount of loan sanctioned by the bank in favour of the company on 08.09.2008 was Rs. 344 Crores. Subsequently, on 16.01.2009 the credit facility was enhanced to Rs. 460 Crores in terms of the facility agreement. When credit facility was enhanced to Rs. 460 Crores under the Consortium with Leading Bank being Union of India, exposure of all the Banks/FIs was as follows:

NAME OF LENDER	AMOUNT (CRORES)
Andhra Bank (assigned to Asset Reconstruction Company India on 24.08.2017)	80.00
Indian Bank (assigned to Asset Reconstruction Company India on 27.03.2017)	80.00
Bank of Baroda	90.00
Corporation Bank	90.00
Union Bank of India	120.00
TOTAL	**460.00**

3. At the time of extension of financial facility to the Principal Debtor viz. M/s Indosolar Limited in the year 2008-09, the net worth of the Bankrupt was Rs. 91.06 Cr.

4. In the year 2010, i.e. in terms of Working Capital Consortium Agreement dated 28.07.2010 the credit facility made available to Principal Debtor was further enhanced to Rs. 672.13 Crores. Later, the credit facility was restructured by way of CDR mechanism vide Master Restructuring Agreement and deed of Personal Guarantee was executed again on 05.07.2012.

5. In the year 2013, the Corporation Bank declared the account of Principal Debtor as NPA. Resultantly, on 12.12.2013, a notice under Section 13(2) of the SARFAESI Act, 2002 was sent to the Principal Debtor whereby the Principal Debtor was called upon to pay the outstanding dues within 60 days. At the same time, the Personal Guarantee was also invoked.

6. With filing of application under Section 7 of IBC, 2016, by Corporation Bank, by operation of Section 5 (11) of IBC, 2016, the CIRP qua the Principal Debtor got initiated. Subsequently, in terms of the order dated 12.04.2019 passed in CP (IB)-1481/(PB)/2018, the CIRP under Section 7 (6) of IBC, 2016 r/w Section 5 (12) thereof commenced qua the Principal Debtor. During the CIRP, a total claim amounting to Rs. 2137 Crores was admitted by the IRP/RP against the Principal Debtor. As it may, the IRP constituted the CoC comprising the following members.

Party Name	Amt Claimed	Amt Admitted
Bank of Baroda	2,59,21,38,035	2,59,21,38,035
Corporation Bank	3,95,76,48,548	3,95,76,48,548
ARCIL	5,00,06,56,261	4,99,74,13,039
Union Bank of India	9,83,22,09,352	9,83,22,09,352
TOTAL	21,382,652,196	21,379,148,974

7. In the application filed by him the Bankruptcy Trustee, he has also given the details of Securities and Guarantees furnished by the Principal Debtor viz. Indosolar Limited. Para 9 of the application wherein such details are given reads thus:-

> 9. That the details of Security Interest and Guarantee provided by Indosolar Limited are detailed herein:

Bank of Baroda	1. First Pari Passu Charge on the Equitable Mortgage on Borrower's properties, both present and future and the leasehold land admeasuring 27,158.78 sq. mts. situated on the plot bearing No. 3C/1, Sector-Echo Tech-II, Udyog Vihar, at Greater Noida Industrial Development Area, Uttar Pradesh (hereinafter referred to as "Project Plot"); 2. First pari passu charge on the fixed assets and current assets of the Borrowers 3. Pledge of 100% promoter's shareholding in the Company on pari-passu basis with other lenders (Common for working capital and Term Loan Lenders) 4. First Charge by way of hypothecation of all the tangible, movable assets of the borrower, where so ever situated and/or in transit, including in particular all movable Machinery items, Equipment, Electrical Fittings, Air Conditioners, power Generators Insulation, Vehicles and other assets construction equipment's, tools and accessories lying and situated at Project Plot.

	5. All the present and future book-debts, outstanding, money receivables, claims, bills which are now due and owing or which may anytime hereafter during the continuance of this Security become due and owing to the Borrowers in the course of its business by any person, firm, company or body corporate or by the Central Government or by the State Government or any Government department or office or any municipal, local or public or semi-governmental body or authority or anybody corporate or any undertaking what so ever;			

Corporation Bank	**Security**	**Details**	**Value (Crores)**	**Corporation Bank Share**
	Primary	First Pari Passu Charge on Fixed Assets of the company	917.7	153.07
		First Pari Passu Charge on current assets of the company with Working capital lenders.	42.23	8.46
		Pledge of 100% Promoters shareholding in the company on pari passu basis with other lenders (common for working capital and term lenders)	13.68	2.23
	Collateral	Second pari-passu charge on fixed assets of the company for working capital lenders	917.2	71.56

ARCIL	1. Hypothecation of the whole of the borrowers movable property including movable machineries, machinery spares, solar cell manufacturing lines, diffusion furnace systems, equipment's, electrical fittings, air conditioners, power generators, insulation, installations, fixtures, vehicles and other assets, construction equipment's, tools and accessories, intangible assets, book debts, current assets, raw materials, semi-finished and finished goods, consumables, stores etc. both present and future and such other movables as may be agreed to by the lenders whether installed or not or whether now lying loose or in cases or which are now lying or to be stored at any place whatsoever or to be held by any party to the order or disposition of the borrower or in transit or in high seas or on order or delivery and charge on all intangible assets of the borrower including but not limited to intellectual property rights, goodwill, undertaking and uncalled capital, present and future.
	2. Charge over borrower's escrow account, rights titles, interest of the borrower into and under all of the project documents, contracts and all licenses, contractor guarantees, liquidated damages, performance bonds, warranties, indemnities and securities that may be furnished by any counter party under any project documents or contracts in favour of the borrower and the rights, title and interest of the borrower into and under all Government Approvals, insurance policies of the borrower. Date and document- Joint Deed of Hypothecation dated March 28, 2012 and Supplemental Deed of Hypothecation Agreement dated 05.07.2012 in favor of the Working Capital Lenders hypothecating all and each of its assets. 3. Equitable mortgage of all that piece and parcel of leasehold plot of land bearing No. 3C/1, Ecotech-ll, UdyogVihar, Greater Noida (UP) admeasuring 27,158.78 Sq. mtrs together with all buildings and structures/erections, plant and machineries thereon and all fixtures and fittings, constructed and erected or installed thereon and/or to be constructed, erected or installed thereon and every part thereof attached to the earth or permanently fastened to anything attached to

	the Earth. The property is bounded as under: East: Plot No. 3B West: Plot No. 3C/2 and 3C/3 North: Plot No. 2C, 2D, 2E and 2F South: 24-meter-wide road Date and document- Declaration and Undertaking dated 28/03/2012 and Supplemental declaration and undertaking dated 05.07.2012 in favour of the lenders in relation to the creation of security by mortgage by deposit of title deeds, for the facilities sanctioned by the Lenders and Memorandum of Entry dated 09.04.2012). 4. Pledge of hundred percent (100%) of the equity share capital of the borrower held by the promoters in favour of the security trustee for the benefit of the lenders. Date and document- agreement for pledge of shares dated 28/03/2012 and supplement agreement for pledge of shares dated 05.07.2012 by H.R. Gupta & 09.07.2012 by B.K. Gupta therein pledging their entire shareholding. 5. Charge on subsidy receivables by the borrower. Date and document: As per the audited financial statements for the year ended 31/03/2018.
Union Bank of India	1. Term Loans/WCTL/FITL: EM of factory land & building, hypothecation of P&M and fixed assets on pari passu basis with other lenders. 2. Working Capital: Hypothecation of stock & book debts and other current assets of the company, both present and future on pari-pasu basis with the other lenders. 3. Collateral Security: Pledge of 13,68,85,495 equity shares of the company held by the promoters.

8. As far as the Principal Debtor is concerned, the Resolution Plan qua it submitted by M/s Waaree Engineers Limited passed by CoC was approved by this Tribunal on 21.04.2022. The plan value was Rs. 94.39 Crores. The manner in which the amount was to be distributed amongst the stakeholders has been given in para 10 of the application. The relevant excerpt of which reads thus:-

10. That on 21.04.2022, the Resolution Plan of M/s Waaree Engineers Limited as approved by the CoC of the Corporate Debtor with requisite majority was approved by the Hon'ble National Company Law Tribunal, Bench- II at New Delhi at the Resolution Amount of Rs. 94.39 Crores which was to be distributed as follows.

S.NO.	PARTICULARS	AMOUNT (In Cr)
1	Upfront payment toward CIRP cost	0.191
2	Upfront Payment of claims and dues of various creditors other than financial Creditors	4.392
3	Payment towards settlement of claims of financial creditors	90.00
	TOTAL	94.58

In addition, there is an amount of Rs. 300.00 Crore receivables as subsidy from Government of India, Ministry of Communication and Information Technology of which 90% shall be disbursed amongst the financial creditors as per their voting shares within 30 days from the receipt of the subsidy amount. The remaining 10% shall be kept by the Resolution Applicant.

9. The Union Bank of India issued a Demand Notice dated 21.10.2019 in terms of the Deed of Personal Guarantee in respect of the credit facilities extended to the Principal Debtor, seeking repayment of Rs. 1074.87 Crores dues as on 20.10.2019 within 7 days from the receipt of notice.

10. The bankrupt preferred an application under Section 94 of IBC, 2016. As per the stand taken by the Bankruptcy Trustee, the value of the assets of the bankrupt at the time of filing the application under Section 94 of IBC, 2016 was Rs. 29.77 Lacs. The Bankruptcy Trustee/Applicant is one through whom the bankrupt preferred application under Section 94 of the Code and who completed exercise in the matter in terms of the provisions of Section 99 of the Code. In acceptance of his report under Section 99, this Tribunal passed the order under Section 100 of the Code, admitting the petition preferred under Section 94 of the Code. A copy of the order dated 22.08.2022 passed by this Tribunal admitting the petition is available on record as Annexure A-6 to the application.

11. Resultantly, the RP carried the process in terms of the provisions of Sections 102, 104, 106-113 of IBC, 2016. Nevertheless, the repayment plan submitted by the Personal Guarantor offering Rs. 63.77 Lacs against the claim of Rs. 31,38,85,43,626/- (Three Thousand One Hundred Thirty Eight Crore Eighty Five Lakh Forty Three Thousand Six Hundred Twenty Six) was not acceptable to the creditor, thus the Applicant/PG modified the same and offered to repay Rs. 67 Lacs. The modified plan was placed before the creditors in their meeting convened on 17.11.2022. After detailed deliberations, the plan was put for e-voting, and was rejected by the creditors on 03.12.2022. As a sequel, this Adjudicating Authority passed order dated 04.03.2024 rejecting the repayment plan and recording liberty to the creditors and Personal Guarantor to file required application for bankruptcy process qua the personal guarantor.

12. With reference to the aforementioned order dated 26.04.2024 passed by this Tribunal, the Personal Guarantor Mr. Hulas Rahul Gupta filed IA (IBC)/4353/ND/2024 for his bankruptcy. Having considered the application this Tribunal passed order dated 26.09.2024 directing bankruptcy of the Applicant. Various steps taken by him in the process have been enumerated by the Bankruptcy Trustee in paras 23 to 36 of the application, which reads thus:-

23. That, Applicant on 02.10.2024 issued a public notice in Form C as provided under Section 130 (1)(b) of the IB Code 2016 read with Rule 9 of Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019 (hereinafter referred as "**Bankruptcy Rules**") in compliance of Section 130(2) of the Insolvency & Bankruptcy Code, 2016 in two newspapers namely Financial Express (English Edition) and Jansatta (Hindi Edition), inviting claims from all the creditors within 7 days of the publication. The above public announcement mentioned that the last date for claim submission was 09.10.2024. Copy of public notice dated 02.10.2024 is marked and attached as **ANNEXURE A-11.**

24. That, Applicant on 03.10.2024 issued a Notice to Creditors in Form D as provided under Section 130 (1)(a) of the IB Code Read 2016 with Rule 10 of Bankruptcy Rules inviting claims from the Creditors of the Bankrupt.

25. That the Applicant vide emails dated 03.10.2024 sought requisite information for carrying out the Bankruptcy Process from the Bankrupt and informed him about duties of Bankrupt and rights of Bankruptcy Trustee. Copies of Email(s) dated 03.10.2024 sent to Bankrupt are marked and attached as **ANNEXURE A-12.**

26. That the Bankrupt vide email dated 04.10.2024 shared the details of his Bank Accounts, Share Holdings, Details of excluded assets, Bank Statements, and documents in support of the other details as sought by the Bankruptcy Trustee. However, certain documents with respect to properties owned by the Bankrupt were partially provided to the Bankruptcy Trustee which were subsequently shared by the Bankrupt with the Applicant vide email.

27. That the Applicant received the claims from the creditors on 09.10.2024 and in accordance with Section 132 of the IB Code 2016 read with Regulation 20 (1) of IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, a list of creditors dated 15.10.2024 was prepared by the Applicant and circulated to the creditors vide email dated 15.10.2024. The list of creditors was further modified on 24.10.2024 and 15.11.2024. The modified list of creditors as on 15.11.2024 is tabulated below for the convenience which is taken on record by this Hon'ble Adjudicating Authority vide order dated 16.12.2024:

S. No.	Name of Financial Creditor	Address of Financial Creditor	Total Amount Claimed (in Rs.)	Amount verified by RP (in Rs.)	Voting share (%)
1	Asset Reconstruction Company (India) Limited	The Ruby, 10th Floor, 29 Senpati Bapat Marg, Dadar (West) Mumbai - 400028	9,29,06,47,353	9,29,06,47,353	20.7

2	Bank of Baroda	Stressed Asset management Branch, 4th Floor, Rajendra Bhawan, Rajendra Place, New Delhi - 110008	4,37,81,31,601	4,37,81,31,601	9.74
3	Union Bank of India	Unit No. 603B, 6th Floor, Konnectus Tower, Bhavbhuti Marg, Opposite New Delhi Railway Station, New Delhi - 110001	31,28,00,41,835	31,28,00,41,835	69.59
	Total		**44,94,88,20,789**	**44,94,88,20,789**	**100**

Copy of List of creditors as on 15.11.2024 is annexed herewith and marked as **ANNEXURE A-13.**

28. That the first meeting of creditors in the Bankruptcy Process of Mr. Hulas Rahul Gupta was convened on 22.10.2024, wherein the Applicant apprised the members about the actions taken by him, discussed the status of the assets of the Bankrupt, and further the COC members approved the agenda through e-voting for holding the future COC at shorter notice, the agenda for the appointment of M/s Ducturus Resolution Professionals Private Limited (IPE) for providing support services throughout the bankruptcy process of Mr. Hulas Rahul Gupta and the agenda of fee payable to the Bankruptcy Trustee as per the Regulation 4 of IBBI (Bankruptcy Process of Personal Guarantor to the Corporate Debtor) Regulation, 2019 wherein he shall be entitled to a fee as a percentage of the amount realized from the estate of the bankrupt and of the amount distributed from such realization, in accordance with Schedule I. Copy of the minutes of 1st COC meeting convened on 22.10.2024 along with the E-voting results are marked and attached as **ANNEXURE A- 14 (COLLY).**

29. That a preliminary report was filed by the Applicant before the Hon'ble Adjudicating Authority on 28.12.2024 in compliance with Regulation 8 of the IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 and the same had been taken on record by the Hon'ble Adjudicating Authority vide its order dated 09.01.2025. A copy of the same had been shared with the Committee and Bankrupt via email dated 31.12.2024 in compliance with the aforesaid regulation. Copy of order dated 09.01.2025 is annexed herewith and marked as **ANNEXURE A-15.**

30. That the Applicant has also filed a status report before the Hon'ble Adjudicating Authority on 26.11.2024 for the period from 01.10.2024 to 20.11.2024, in compliance with the order dated 26.09.2024 and the same was taken on record by the Hon'ble Adjudicating Authority vide its order dated 09.01.2025.

31. That meanwhile, the Applicant had opened a current account in Canara Bank in the name of **Mr. Hulas Rahul Gupta – In Bankruptcy Process** in compliance with Regulation 32 of the IBBI (Bankruptcy Process for the Personal Guarantors to Corporate Debtors) Regulations, 2019, for the receipt of all funds due to the Bankrupt.

32. That further, in compliance with Regulation 10 of IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, quarterly reports have been filed by the Applicants as tabulated below:

S. NO	RELEVANT QUARTER	DATE OF FILING	ORDER OF AA
1.	Progress Report for the quarter 01.10.2024 to 31.12.2024.	12.01.2025	Progress Report was listed as IA/232/ND/2025 which has been taken on record by Hon'ble Adjudicating Authority vide order dated 14.02.2025.
2.	Progress Report for the quarter 01.01.2025 to 31.03.2025	16.04.2025	Progress Report was listed as IA-1977/2025 which has been taken on record by Hon'ble Adjudicating Authority vide order dated 30.04.2025.
3.	Progress Report for the quarter 01.04.2025 to 30.06.2025	08.07.2025	Progress Report was listed as IA - 3318/ND/2025 which has been taken on record by Hon'ble Adjudicating Authority vide order dated 14.07.2025.

33. That the Applicant on 06.02.2025, called and convened 2nd Meeting of CoC wherein *interalia*, the Applicant updated the CoC members is respect of the status of the reports filed by the Applicant. Further discussions in respect of the reports received from Transaction Auditor and Detective Agency also took place. Furthermore, the agenda for the appointment of M/s Master Capital Services Ltd, as the professional to provide brokerage services for selling the shares of the Bankrupt was discussed wherein CoC expressed their concern regarding fee of the Broking Agency and opined that the Application should seek quotations from some other Brokerage Agencies. Thus, accordingly, on 10.02.2025, the Applicant sought quotations from other Broking Agencies. Copy of the minutes of 2nd CoC Meeting convened on 06.02.2025 is annexed herewith and marked as **ANNEXURE A-16**.

34. That pertinently, in compliance of Schedule- II (B) of Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 read with Regulation 27 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, the Applicant has prepared a sale strategy for selling the illiquid shares of the bankrupt through private sale in the matter of bankruptcy process of Mr. Hulas Rahul Gupta (Personal Guarantor to M/s Indosolar Limited) and submitted the same with the Adjudicating Authority along with the Quarterly Progress Report for the quarter ending on March 2025.

35. That the Applicant thereafter called and convened the 3rd COC meeting held on 06.05.2025 wherein, *inter alia* the Applicant updated the members regarding various actions taken by him viz. appointment of broking agency, filing of an application under Regulation 12(3), preparation of sale strategy by the Applicant. Further, agenda for ratification of appointment of the Broking Agency as broker and advisor along with agenda to pay fee of the Professionals was placed before the CoC which upon deliberations was put for e-voting where CoC with requisite majority resolved to approved all the agendas except for agenda for appointment of Master Capital Services Limited as advisory agency. Copy of the minutes of the 3rd COC meeting convened on 06.05.2025 along with e-voting results are annexed herewith and marked as **ANNEXURE A-17 (COLLY).**

36. That the Applicant on 03.09.2025 received an email from the Bankrupt wherein he requested the Applicant to take necessary steps to file an application for the discharge of the bankrupt, since one year of bankruptcy commencement is going to expire on 26.09.2025. The Applicant called and convened the 4th meeting of COC on 10.09.2025 where inter alia, the Applicant updated the members regarding the status of process and thereby placed the agenda for filing an application under Section 138(1)(a) of the code according to which it is incumbent upon the Bankruptcy Trustee to file an application seeking the discharge of the Bankrupt on

expiry of one year, wherein the CoC members were of the opinion that it would not be appropriate to file an application for discharge of the Bankrupt since the administration and distribution of the Bankrupt's estate are still pending and BT may file an application before the Hon'ble Adjudicating Authority seeking an extension beyond 26.09.2025 for completion of the said process. Copy of the email dated 03.09.2025 received from the Bankrupt along with the minutes of 4th CoC meeting convened on 10.09.2025 are annexed herewith and marked as **ANNEXURE A-18 (COLLY)**.

13. As has been averred by the Bankruptcy Trustee in para 37 of the application, he called and convened the 5th CoC meeting in the Bankruptcy Process qua the bankrupt on 23.09.2025 wherein he discussed the agenda for filing an application under Section 138(1)(a) of the Code. In paras 39, 40 and 43 of the application the Applicant has given details of the inquiry made by him in respect of the assets, business or affairs of the bankrupt. The paras reads thus:-

39. That the net worth of the Bankrupt from the year of availment of the loan by M/s Indosolar Limited from the banks in the year 2008-09 is tabulated below

S.NO	FINANCIAL YEAR	AMOUNT (IN CR)
1	2008-09	91.06
2	2010-11	138.58
3	2011-12	39.53
4	2012-13	21.11
5	2013-14	49.20
6	2015-16	66.26
7	2016-17	56.14
8	2017-18	59.76
9	2018-19	16.19
10	2019-20	29.97
11	2020-21	49.36
12	2021-22	1.63
13	2023-24	-2773.49

Copy of all the net worth certificates of the Bankrupt are marked and attached as **ANNEXURE A-20 (COLLY)**

40. That the enquire about the assets, business and affairs of the Bankrupt and steps taken by the Applicant in this respect are tabulated below:

S.NO	PARTICULARS
1.	That in the matter of "***Corporation Bank vs. M.s Indosolar Limited and Gulshan Gupta (Resolution Professional of M/s Indosolar Limited) bearing CP (IB) No1481/PB/2018***" order dated 21.04.2022, Hon'ble National Company Law Tribunal, New Delhi - Principal Bench, under section 30(6) of the IBC, 2016, in para no.15 of the said order has observed that **no application has been filed by the Resolution Professional u/s 43, 45,50 and 66**. Hence no PUFE application is pending against the personal guarantor of M/s Indosolar Limited i.e. Mr. Hulas Rahul Gupta (being a member of the Suspended Board of Directors). Copy of order dated 21.04.2022 passed by Hon'ble National Company Law Tribunal, New Delhi Principal Bench is already marked and attached as **ANNEXURE A-2.**
2	That Applicant, being the RP during the PIRP process also appointed Gargi Enterprises as a professional agency to trace the assets of the Personal Guarantor and as per the final asset tracing report dated 10.11.2022, no additional assets in the name of personal guarantor, other than the assets disclosed by Mr. Hulas Rahul Gupta, were traced by the agency. Copy of asset tracing report dated 10.11.2022 is marked and attached as **ANNEXURE A-21.**
3	That further, the Hon'ble High Court-Delhi, in the matter of *Hulas Rahul Gupta Vs. Bureau of immigration & Ors. [W.P.(C) 2063/2023 & CM APPL 23803/2023]* vide order dated 20.12.2023, quashed the look-out circular issued against the Bankrupt on the ground as mentioned below: ➢ No assets except shares of other companies and bank balance have been owned by the Bankrupt ➢ The Bankrupt has also not inherited any asset or fund from the Will of his Late father Shri BK Gupta whereas his property, 2nd Floor with terrace rights of Property No. 14-A/ I 0, W.E. Area. Karol Bagh, Pusa Road, New Delhi 11005 has been taken up for auction by BOB as directed by the court order

- The Bank has not declared Mr. Hulas Rahul Gupta as a wilful defaulter.
- No avoidance transaction had been observed/found by the RP of Indosolar Limited and no application u/s 43.45, 50 and 66 of IBC, 2016 had been filed by the Resolution Professional as given in the Resolution Plan approval order of CD dated 21.04.2022.

Notably, the appeal against the said order was also dismissed by the Hon'ble Delhi High Court vide order dated 21.02.2024 passed in LPA117/2024.

Copy of order dated order dated 20.12.2023 passed by the Hon'ble High Court-Delhi along with the copy of order dated 21.02.2024 passed in LPA117/2024 is annexed is marked and attached as **ANNEXURE A-22 (COLLY)**.

4 That the Bankrupt does not carry any business; therefore, the books of the Bankrupt are not maintained. The Applicant himself prepared the list of assets and liabilities based on records and data otherwise available to him in public domain. The list of assets and liabilities of the Bankrupt as on bankruptcy commencement date is marked and attached as **ANNEXURE A-23.**

5 Further the Bankrupt has also submitted an affidavit dated 23.12.2024 declaring the details of his assets available as on Bankruptcy commencement date. Copy of affidavit dated 23.12.2024 submitted by the Bankrupt is marked and attached as **ANNEXURE A-24.**

6 The Applicant also enquired from the bankrupt about the following three properties during the conduct of the process of bankruptcy:

S. No.	Property Location	Ownership	Status
1.	C-12, Mata Mandir Road, New Friends Colony (East), Sriniwaspuri, Kalkaji, New Delhi – 110065	Mother (Allotted by DDA in 1968)	Bequeathed to the bankrupt's sister through their mother's registered will in 2020. Copy of will of Bankrupt's mother is marked and attached as **ANNEXURE A-25.**
2.	Second floor of 14A/10, WEA, Off Pusa Road, Karol Bagh, New Delhi – 110005	Late Father (Inherited)	Inherited by Mother and then Surrendered under DRT proceedings; handed over to lenders and court-appointed

				receiver in February 2024. Copy of the will of the father of the Bankrupt is attached as **ANNEXURE A-26.**
				Copy of handwritten possession letter of court receiver is attached as **ANNEXURE A-27.**
	3.	Farmhouse, Chhatarpur, New Delhi	Wife (Gifted in 2007)	Gifted by the bankrupt to his wife in 2007, prior to any credit facilities sanctioned to Indosolar Limited. (CD, where Bankrupt is personal guarantor). Copy of gift deed is attached as **ANNEXURE A-28.** And further bequeathed to the bankrupt's daughter through wife 's registered Will in 2021. Copy of will of Bankrupt's wife is attached as **ANNEXURE A-29.**

7	The Bankruptcy Trustee also appointed M/s Kaushik Recovery Agency as detective agency on 18.11.2024 with the following scope of search ➢ Locating all the residential/business addresses of the Bankrupt ➢ Providing personal/family details of the Bankrupt ➢ Providing present line of business/associate firms/business of the Personal Guarantor ➢ Searching/ Locating the Present assets /whereabouts/ verification/ present owner status of the properties linked with the Bankrupt ➢ Details of last 10 years of sale and purchase of the movable assets of the Bankrupt ➢ Details of last 10 years of sale and purchase of the immovable assets of the Bankrupt ➢ Details of past and present shareholding of the Bankrupt
	As per the final report dated 16.12.2024 of the detective agency, no additional movable or immovable assets or business detail was found in the name of the Bankrupt other than those provided by Bankrupt to the Bankruptcy trustee. Copy of final report dated 16.12.2024 of detective agency is marked and attached as **ANNEXURE A-30.**

8	That the Applicant had appointed S S P J & Co. as the "Transaction Auditor" under Regulation 5 of the IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, on 11.11.2024, to conduct a transaction audit of the Bankrupt under sections 164, 165, and 167 of the IB Code 2016 for the period of 2 years ending on the date of filing of the Petition, i.e., 26.04.2024. As per the final report dated 11.12.2024 submitted by the auditor, **no transactions had been undertaken by the Bankrupt under sections 164, 165, or 167 of the IB Code 2016 during the reported period.**
9	That there is no allegation of siphoning of money or that the money has been misappropriated either by the corporate debtor or by the guarantors.
10	That there are no criminal proceedings or any FIR registered/ pending against the bankrupt.
11	That there are no private creditors (apart from the financial creditors) against the bankrupt.
12	That the bankrupt has not been declared a willful defaulter by the banks.

XXX

43. That the annual income of the bankrupt for the last five year is tabulated below:

S.NO.	FINANCIAL YEAR	ANNUAL INCOME (IN RS)
1.	2024-25	Rs. 1,59,800/-
2	2023-24	Rs. 2400/-
3	2022-23	Rs.1540/-
4	2021-22	Rs. 260/-
5	2020-21	Rs. 670/-

Copy of Income tax returns of the last 5 financial years of the Bankrupt are attached herewith and marked as <u>ANNEXURE A-31</u>.

14. In paras 47 to 52 of the application, the Applicant has given particulars of the IA preferred by him under Regulation 12(3) of IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 and the process qua the IA. The paras reads thus:-

47. That an application having IA no. 1695 of 2025 was preferred by the Applicant under Regulation 12(3) of IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 seeking appropriate directions against Stock Holding Corporation of India Limited, BSE, NSE, NSDL and Waaree Energies Ltd on account of the recurring non-cooperation on their part jeopardising the process of bankruptcy and creating hurdles for the Applicant in discharge of his duties in an expedient manner.

48. That Stock Holding Corporation of India Limited and Mr. Mohinder Kumar, Nodal Officer, Stock Holding Corporation of India Limited have failed to extend Cooperation to the Applicant by not mapping the Demat Account opened with M/s Master Trust Capital Services Limited (having client ID 80132967 with DP ID IN301143) as beneficiary to the Demat Account with SHCIL 1 having DP ID: IN301127 and Client ID – 16422654 and transfer the shares of the Bankrupt to the new Demat account opened with Master Trust Capital Services Limited.

49. That the Bombay Stock Exchange Limited and National Securities Depository Limited have repeatedly been imposing freeze on the Demat Account of the Bankrupt held with SHCIL having DP ID: IN301127 and Client ID – 16422654 on account of erroneous submissions made by M/s Indosolar Limited before NSDL and BSE.

50. That M/s Waaree Energies Limited has failed to complete the process for the removal of Mr. Hulas Rahul Gupta from the list of promoters of M/s Indosolar Limited and inform the same to BSE Limited and NSDL.

51. The said Application was listed on 16.04.2025 as IA 1695 of 2025 and during the course of hearing, Hon'ble AA was pleased to issue Notice to the Respondents and the next listed the matter for hearing on 05.06.2025.

52. That during the last effective hearing held on 13.06.2025, Notice was issued to all the Respondents returnable on 14.08.2025 with the directions for the Respondents to file reply where a Notice had already been issued by the Bankruptcy Trustee. In

compliance of order dated 16.04.2025, AOS was filed by the Bankruptcy Trustee on 10.06.2025 where, notably Notices were duly delivered to all the Respondents. Till date, no reply has been received from any of the Respondent and I.A. NO. 1695 of 2025 is now listed for 07.11.2025.

15. In paras 54 and 55 of the application, the Applicants/Bankruptcy Trustee has canvassed consequences of pendency of IA-1695/ND/2025. However, it is noticed that in terms of the order dated 05.01.2026, the IA could be disposed of by this Tribunal. In para 56 of the application, the Applicant has espoused the cause for not filing the final report and seeking extension of six months for the purpose. The paras reads thus:-

54. That in the present case, it is not prudent to file a final report at this stage where administration and distribution of the assets of the Bankrupt is pending due to the non-cooperation on the part of the Stock Holding Corporation of India Limited and application is this respect is pending adjudication before Hon'ble Adjudicating Authority as explained in the aforesaid paragraphs.

55. That it is submitted that majority of assets of the Bankrupt comprise of shares only which are held by the Stock Holding Corporation of India Limited and those shares cannot be realized till the disposal and execution of IA no. 1695 of 2025 which is listed on 07.11.2025. Notably, non-cooperation was filed because Stock Holding Corporation of India Limited refused to add the new Demat Account opened with M/s Master Trust Capital Services Limited (having client ID 80132967 with DP ID IN301143) as beneficiary to the old Demat Account with Stock Holding Corporation of India Limited having DP ID: IN301127 and Client ID – 16422654 and transfer the shares of the Bankrupt to the new Demat account opened with Master Trust Capital Services Limited.

16. The prayer made in the application reads thus:-

"(a) Allow the present application and pass appropriate order in accordance with Section 138(2) of the Insolvency and Bankruptcy Code, 2016

(b) Grant an extension of 6 months for filing of final report in accordance with Regulation 11 of IBBI (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 in form of an additional application in the present application from the date of the grant of such extension"

17. We heard the counsels for the Bankrupt and Bankruptcy Trustee. Reliance on their behalf could be placed on judgment dated 08.07.2025 passed by Hon'ble NCLAT in Company Appeal (AT) (Insolvency) No. 523 of 2025 and I.A. No. 1993 of 2025 in **Anil Syal vs. Ajay Gutpa & Anr.** to espouse that on expiry of one year from the bankruptcy commencement date, the Bankruptcy Trustee should apply to Adjudicating Authority for a discharge order. Para 28 of the judgment reads thus:-

"28. In the facts of the present case, we are of the view that the Adjudicating Authority has committed error in refusing to consider the application filed by the Appellant, which observation has been made in paragraph 35, as noted above. The order of discharge has to be passed by Adjudicating Authority. The Adjudicating Authority has also to ensure that timelines in the IBC are adhered to by all stakeholders, including the Bankruptcy Trustee. When it was clear that more than two years have expired and no application has been filed by the Bankruptcy Trustee as mandated by Section 138(1)(a), the Adjudicating Authority was not powerless to either issue directions to the Bankruptcy Trustee to file an application within the timeline, or to pass such orders as it may deem fit and proper. The impugned order is clearly an order, abdicating its jurisdiction by the Adjudicating Authority and to take proceedings as per timelines mandated in the IBC. We, thus, are fully satisfied that the impugned order passed by Adjudicating Authority is unsustainable and the same is set aside."

18. There can be no two opinions that in terms of the provisions of Section 138(1) & (2) of the Code, expiry of one year from the bankruptcy commencement date, the Bankruptcy Trustee should apply to Adjudicating Authority for discharge order and the Adjudicating Authority should pass an order on the application. However, a conjoint reading of the provisions of Section 138(1) & (2) (ibid) would reveal that when it is mandatory for Bankruptcy Trustee to file an application on expiry of one year from the bankruptcy commencement date, it is not so that with the filing of application, the Bankruptcy Trustee stands discharged. It is for the Adjudicating Authority to pass appropriate order on the application for discharge. Nevertheless, as the intent and object of the Code are controlled by timelines specified in the code itself, it is expected that the AA should pass the order promptly. In any case, the role of AA cannot be that of stamping the process. It needs to see that the IBC is not used for fraudulent purposes. The order required to be passed under Section 138(2) of IBC, 2016, is for limited purposes having effect under Sections 139, 140(3)(b) and 141(2)(b).

19. A perusal of Section 139 (b) of the Code provides that the discharge order passed under Section 138(2) thereof shall release the bankrupt from all the bankruptcy debt provided that it shall not-

(a) affect the functions of the bankruptcy trustee; or

(b) affect the operation of the provisions of Chapters IV and V of Part III; or

(c) release the bankrupt from any debt incurred by means of fraud or breach of trust to which he was a party; or

(d) discharge the bankrupt from any excluded debt.

20. From the aforementioned, it is clear that the discharge order does not affect the functions of the Bankruptcy Trustee and at the same time it would not affect the operation of provisions of Chapter IV and V of Part III of Insolvency and Bankruptcy Code viz. Bankruptcy order for Individuals and Partnership Firms and Consequent Process (Sections 121 to 148 of the Code) as also Administration and Distribution of the Estate of the Bankrupt (Sections 149 to 178 of the Code). Thus, apparently, even after his discharge, the Bankrupt is under mandate of law to participate in the Bankruptcy Process and his discharge entitles him only to the benefits of Section 139, 140(3)(b) and 141(2)(b) (supra).

21. It is seen from Section 149(a) of the I&B Code that the Bankruptcy Trustee has duty to investigate the affairs of the Bankrupt *inter alia.* The Section 149(a) of the Code reads thus:-

> "***149.*** *Functions of bankruptcy trustee.-*
> *The bankruptcy trustee shall preform the following functions in accordance with the provisions of this Chapter-*
> *(a) Investigate the affairs of the bankrupt;"*

22. Section 150 (1) of the Code provides that the Bankrupt shall assist the Bankruptcy Trustee in carrying out his functions under the Chapter by (a) giving to the bankruptcy trustee the information of his affairs; (b) attending the bankruptcy trustee at such times as may be required; (c) giving notice to the bankruptcy trustee of any of the following events which have occurred after the bankruptcy commencement date viz.- (i) acquisition of any property by the bankrupt; (ii) devolution of any property upon the bankrupt; (iii) increase in the income of the bankrupt (d) and doing all other things as may be prescribed. Section 150 of the code reads thus:-

> *"**150 Duties of bankrupt towards bankruptcy trustee**.-*
>
> *(1) The bankrupt shall assist the bankruptcy trustee in carrying out his functions under this Chapter by-*
>
> *(a) giving to the bankruptcy trustee the information of his affairs;*
>
> *(b) attending on the bankruptcy trustee at such times as may be required;*
>
> *(c) giving notice to the bankruptcy trustee of any of the following events which have occurred after the bankruptcy commencement date,-*
>
> *(i) acquisition of any property by the bankrupt;*
>
> *(ii) devolution of any property upon the bankrupt;*
>
> *(iii) increase in the income of the bankrupt;*
>
> *(iv) doing all other things as may be prescribed."*

23. As per the provisions contained in Section 156 of the Code, the bankrupt, his banker or agent or any other person having possession of any property, books, papers or other records which Bankruptcy Trustee is required to take possession for the purposes of the Bankruptcy process shall deliver the said property and documents to the Bankruptcy Trustee.

24. Section 159(1) of the Code provides that the Bankruptcy Trustee shall be entitled to claim for the Estate of the Bankrupt after any acquired property by giving notice to the Bankrupt. In other words, even such property which Bankrupt acquire after commencement of Bankruptcy Process can also be claimed by the Bankruptcy Trustee, subject to provisions of sub-Section 2 of Section 159. The provisions contained in Section 129(1) of the Code, require the Bankrupt to submit the statement regarding his financial position to the

Bankruptcy Trustee within 07 days from the date of Bankruptcy commencement date. In terms of the provisions of Section 152 of the Code, the Bankruptcy Trustee while discharging his function under Chapter V of Part III of the Code may exercise the right to transfer the property which is transferable in the books of a person to the same extent as the Bankrupt might have exercised if he had not become Bankrupt and to deal with any property comprise in the Estate of Bankrupt to which the Bankrupt is beneficiary entitled in the same manner as he might have dealt with it. Section 152 of the Code reads thus:-

*“**152 General powers of bankruptcy trustee.-***

The bankruptcy trustee may while discharging his functions under this Chapter

(a) Sell any part of the estate of the bankrupt;

(b) Give receipts for any money received by him;

(c) prove, rank, claim and draw a dividend in respect of such debts due bankrupt as are comprised in his estate;

(d) where any property comprised in the estate of the bankrupt is held by any person by way of pledge or hypothecation, exercise the right of redemption in respect of any such property subject to the relevant contract by giving notice to the said person

(e) where any part of the estate of the bankrupt consists of securities in a company or any other property which is transferable in the books of a person, exercise the right to transfer the property to the same extent as the bankrupt might have exercised it if he had not become bankrupt; and

(f) deal with any property comprised in the estate of the bankrupt to which the bankrupt is beneficially entitled in the same manner as he might have dealt with it.”

25. The Estate of Bankrupt has been defined in Section 155 of the Code which reads thus:-

> ***"155. Estate of the bankrupt.-***
>
> *(1) The estate of the bankrupt shall include, –*
>
> *(a) all property belonging to or vested in the bankrupt at the bankruptcy commencement date;*
>
> *(b) the capacity to exercise and to initiate proceedings for exercising all such powers in or over or in respect of property as might have been exercised by the bankrupt for his own benefit at the bankruptcy commencement date or before the date of the discharge order passed under section 138; and*
>
> *(c) all property which by virtue of any of the provisions of this Chapter is comprised in the estate.*
>
> *(2) The estate of the bankrupt shall not include –*
>
> *(a) excluded assets;*
>
> *(b) property held by the bankrupt on trust for any other person;*
>
> *(c) all sums due to any workman or employee from the provident fund, the pension fund and the gratuity fund; and*
>
> *(d) such assets as may be notified by the Central Government in consultation with any financial sector regulator."*

26. From the aforementioned, it is clear that the Estate of the Bankrupt shall include the capacity to exercise and to initiate proceedings for exercising all such powers in or over or in respect of property as might have been exercised by the bankrupt for his own benefit at the bankruptcy commencement date. Section 157 of the Code make it is incumbent upon the Bankruptcy Trustee to acquire the control of all the property, books, papers and other records relating to the Estate of Bankrupt which belong to him or are in his possession or under his control. Besides, where any part of the

Estate of Bankrupt consists of the things in actionable claims, they are deemed to be have been assigned to the Bankruptcy Trustee without any notice of the assignment.

27. A perusal of the application filed by the Bankruptcy Trustee reveals that the creditors have extended financial facility to the principal debtor between 16.01.2009 and 05.07.2012. The Personal Guarantor, Mr. Hulas Rahal Gupta viz. Bankrupt was promoter qua the Principal Debtor viz. M/s Indosolar Limited. It is seen from Para 39 of the application that the net worth of the Bankrupt could increase from 91.06 Crores to 138.58 Crores in a span of two years (between 2008-2009 to 2010-2011) and then suddenly it could go down to 39.53 Crores in next one year (2011-2012). Such fluctuation in the net worth of the Bankrupt from the year 2008-2009 to 2019-2020 need to be investigated as it is quite weird that the net worth of Rs. 138.53 Crores in the year 2010-2011 could go down to 29.97 Lakhs in the year 2019-2020. A perusal of Para 40 of the application reveals that the Bankrupt owned a Farmhouse, which he gifted to his wife and then his wife could bequeath the same to their daughter through a registered will executed in the year 2021. Apparently, these aspects need to be investigated. As can be seen from Regulation 12(1) of IBBI (Bankruptcy Process) Regulations, 2019, the erstwhile Bankrupt as well as the Interim Resolution Professional, the Resolution Professional and the Bankrupt are under obligation to extend all assistance and cooperation to Bankruptcy Trustee. The Regulation reads thus:-

*"**12. Persons to extend cooperation.***

(1) The following persons shall extend all assistance and cooperation to the bankruptcy trustee to complete the bankruptcy process-

(a) the bankrupt;

(b) creditors of the bankrupt;

(c) employees and workmen of the bankrupt;

(d) partners of the bankrupt;

(e) auditors of the bankrupt;

(f) professionals appointed by the bankruptcy trustee under these regulations;

(g) the resolution professional or the previous bankruptcy trustee of the bankrupt;

(h) the interim resolution professional, the resolution professional and the liquidator in respect of the corporate debtor;

(i) any person who has possession of any of the properties of the bankrupt; and

(j) any other person connected or relevant to the bankruptcy process."

28. In terms of the provisions of Section 149 of IBC read with Section 151, 152, 154, 155 and 157 thereof, it is incumbent upon the Bankruptcy Trustee to investigate the affairs of the Bankrupt, to acquire all information about his assets and to appropriate the same for the benefit of the creditors. The Regulation 12 (ibid) read with Section 150 of the Code casts duty upon the Bankrupt to provide required information, documents and assistance to the Bankruptcy Trustee. Thus, as has been noted hereinabove, the discharge in terms of the provisions of Section 138(2) of the Code would absolve the Applicant from the disqualifications mentioned in Sections 139, 140(2) and 141(1) of the IBC. In terms of the provisions of Section 139(1)(b) of the Code, except aforementioned absolution, the Bankrupt is duty bound to perform all such functions and discharge all such obligations as are incumbent upon it as per Chapter IV and V of Part III of the Code read with IBBI (Bankruptcy Process) Regulations, 2019. This Tribunal/AA cannot be expected to act as mute's spectator of the Bankruptcy Process and need to pass all such orders which are necessary to prevent the abuse to process under IBC. In the circumstances we order discharge of the Bankrupt from liability under Section 139, disqualification under Section 140(2) and restrictions under Section 141(1) of the Code, subject to the following conditions:-

a. The nominees/representatives to be appointed as creditors viz. Asset Reconstruction Company (India) Limited, Bank of Baroda and Union Bank of India other than those who participate in CoC would monitor the affairs of the Bankruptcy Trustee intensely and all the affairs of the Bankruptcy Trustee would be scrutinised by them.
b. The Bankruptcy Trustee duly monitored by the aforementioned committee of nominees would investigate and examine that how and where the principal amount of debt could be utilised by the Principal Debtor and for such purpose, he will take information from all those who are mentioned in Regulation 12(1) of IBBI (Bankruptcy Process) Regulations, 2019, including the IRP, RP and Liquidator qua the Principal Debtor (CD) and the individuals to whom the Bankrupt gifted his property.
c. The committee of nominees would ensure that the Bankruptcy Trustee and Bankrupt perform all their functions, duties and obligations in terms of the Code and the Regulations framed thereunder religiously.
d. The Bankruptcy Trustee monitored by the committee of nominees would investigate the fluctuation in the net worth of the Bankrupt (ibid).

e. The Farmhouse gifted by the Bankrupt to his wife will be treated as part of Estate of Bankrupt. However, it would be open to the beneficiary of the gift and will to move appropriate application before this Tribunal to put forth their cause and espouse justification, if any, for not treating the same as part of Estate of Bankrupt. Till examination of their stand, the status qua regarding Farmhouse would be maintained as part of estate of Bankrupt.

29. The application stands disposed of.

Sd/-	**Sd/-**
(REENA SINHA PURI)	**(ASHOK KUMAR BHARDWAJ)**
MEMBER (T)	**MEMBER (J)**