



NATIONAL COMPANY LAW TRIBUNAL
COURT-V, MUMBAI BENCH

2. C.P. (IB)/1197(MB)2020

IN THE MATTER OF

State Bank of India through Mr. Asish Narayan
Vs

... Petitioner

Venugopal Nandlal Dhoot

... Respondent

U/s 95(1) of the Insolvency and Bankruptcy Code, 2016

Order Delivered on 08.04.2026

CORAM:

SH. NILESH SHARMA
MEMBER (J)

SH. CHARANJEET SINGH GULATI
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Petitioner: Adv. Anush Mathkar, Adv. Ananya Bajpai i/b Cyril
Amarchand Mangaldas (VC)

For the Respondent:

ORDER

The above CP is listed for pronouncement of order. The same is pronounced in open Court, vide a separate order.

Sd/-
CHARANJEET SINGH GULATI
Member(Technical)

Sd/-
NILESH SHARMA
Member(Judicial)

/Ziyaul/



**NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - V**

C.P. NO. 1197/MB/2020

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

State Bank of India

Through Mr. Asish Narayan, a Resolution Professional

Having address at:

11A/504, Springleaf Lokhandwala, Kandivali East, Mumbai – 400101.

... Applicant

Versus

Mr. Venugopal Nandlal Dhoot

Having address at:

90, Manav Mandir, Napean Sea Road, Mumbai – 400006, and,

101, Videocon House, 1st Floor, 99 Manav Mnadir Road, Nepeansea Road, Opp. J.M. Mehta Bus Stop, Mumbai – 400006, and,

221, Fort House, 2nd Floor, Dr. D.N. Road, Fort, Mumbai – 400001, and,

Dhoot Bungalow, Gangapur Gin Compound, Station Road, Ahmednagar – 414001. And

99, Videocon House, Manav Mandir, Napean Sea Road, Mumbai – 400006, and,

171/C, Mittal Court, Nariman Point, Mumbai – 400021.

... Respondent/Personal Guarantor



Order Pronounced on: 08.04.2026

Coram:

Hon'ble Sh. Nilesh Sharma, Member (Judicial)

Hon'ble Sh. Charanjeet Singh Gulati, Member (Technical)

Appearances:

For Petitioner: Sr. Adv. Gaurav Joshi a/w Adv. Rohan Agarwal a/w Adv. Anish Mathhar, Adv. Ananya Bajpai (PH)

For PG: Adv. Sandeep Ladda a/w Adv. Umang Patni (PH)

ORDER

1. The present Company Petition bearing No. 1197 of 2020 has been filed by Mr. Asish Narayan, being the resolution professional authorized by State Bank of India ("**SBI**"), seeking initiation of personal insolvency proceedings under Section 95 and Section 97 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") against Mr. Venugopal Nandlal Dhoot, being a personal guarantor ("**Personal Guarantor**") for recovery of Rs. 61,57,57,79,505.96/-. The Date of Default, as specified in Part III of the present petition, is February 2, 2018.
2. The Videocon Telecommunications Limited ("**VTL**") vide the Rupee Facility Agreement dated May 31, 2010 and the Videocon Industries Limited ("**VIL**") vide loan documents such as the Rupee Term Loan Agreement dated August 8, 2012, and the Fourth Supplemental Working Capital Consortium Agreement dated May 25, 2012 being supplemental to the Working Capital Agreement dated March 10, 2006, availed various Facilities from the State Bank of India ("**SBI**").
3. The Personal Guarantor had guaranteed due repayment of the Facilities granted vide Deed of Guarantee dated August 8, 2012, Deed of Guarantee dated August 30, 2010 and Fourth Supplemental Joint Deed of Guarantee dated May 25, 2012 respectively.
4. On June 20, 2016, a Confirmation Agreement was entered into, wherein Videocon Telecommunications Limited ("**VTL**") agreed that it shall be deemed to be a "Co-obligor" under the Rupee Term Loan ("**RTL**")



Agreement and the RTL Obligors agreed that each of the RTL Obligors shall be deemed to be a co-obligor along with VTL under the VTL Agreement.

5. Upon occurrence of Events of Default, Demand Notices were issued to VIL in respect of the RTL Facilities on January 18, 2018, and in respect of the VTL Facilities and the Working Capital Facilities on January 23, 2018. Demand certificates were also issued to the Personal Guarantor in respect of the RTL and VTL facilities on February 02, 2018, and in respect of the Working Capital Facilities on February 20, 2018.
6. Due to defaults in repayment of the Facilities granted, SBI filed company petitions under Section 7 of the IBC against VIL and VTL, which were admitted by this Tribunal in June 2018.
7. Further, this Tribunal vide order dated August 8, 2019 allowed consolidation of the corporate insolvency resolution process of VIL with 12 other companies namely VTL., Electroworld, Value, Techno Kart, Applicomp, Sky, Techno, Millennium, Century, Evans Fraser, PE and CE India Limited and the corporate insolvency resolution proceedings of the Videocon Group companies is presently pending.
8. A demand notice was issued to the Personal Guarantor under the provisions of the IBC, read with the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process of Personal Guarantors to Corporate Debtors) Rules, 2019, on July 23, 2020 ("**IBC Demand Notice**"), which was replied to by the Personal Guarantor on August 04, 2020. However, since the Personal Guarantor has not paid the Default Amount within fourteen days of receipt of the IBC Demand Notice, the present company petition has been filed by the Applicant, on behalf of SBI.

Submissions of the Applicant:

9. The Personal Guarantor has executed Deeds of Guarantees in respect of the Facilities in favour of and for the benefit of State Bank of India. The



details in relation to the Facilities including the outstanding debt under the Facilities are set out below:

I. Details of the Facilities

The following facility agreements were entered into between inter alia, SBI and VIL:

1. Rupee Term Loan Agreement dated August 8, 2012 ("RTL Agreement"), a copy of which is annexed herewith as Exhibit -3;
2. Confirmation Agreement dated June 20, 2016 ("Confirmation Agreement") vide which VIL became a party to, and assumed all obligations towards the VTL Lenders (as defined therein) under the Rupee Facility Agreement dated May 31, 2010 read together with Agreement of Modification to the Rupee Facility Agreement dated August 30, 2010 ("VTL Agreement"). Copies of the Confirmation Agreement and the VTL Agreement is annexed herewith as Exhibit 4 Colly;
3. Fourth Supplemental Working Capital Consortium Agreement dated May 25, 2012 being supplemental to the Working Capital Agreement dated March 10, 2006 ("**Working Capital Agreement**"), a copy of which is annexed herewith as **Exhibit – 5**.

The RTL Agreement, the VTL Agreement, the Confirmation Agreement and the Working Capital Agreement are collectively referred to as "VIL Facility Agreements".

The details of facilities granted by SBI to VIL under each of the VIL Facility Agreements are as follows:

A. RTL Agreement

1. Rupee term loan to the tune of INR 2072 Crores (Rupees Two Thousand Seventy Two Crores Only) ("**SBI RTL**") granted by SBI, as set out in Schedule I to the RTL Agreement.



2. Rupee term loan to the tune of INR 300 Crores (Rupees Three Hundred Crores Only) ("**SBH RTL**") granted by State Bank of Hyderabad ("**SBH**"), as set out in Schedule I to the RTL Agreement.

3. Rupee term loan to the tune of INR 250 Crores (Rupees Two Hundred Fifty Crores Only) ("**SBM RTL**") granted by State Bank of Mysore ("**SBM**"), as set out in Schedule I to the RTL Agreement.

4. Rupee term loan to the tune of INR 200 Crores (Rupees Two Hundred Crores Only) ("**SBT RTL**") granted by State Bank of Travancore ("**SBT**"), as set out in Schedule I to the RTL Agreement.

5. Rupee term loan to the tune of INR 100 Crores (Rupees One Hundred Crores Only) ("**SBBJ RTL**") granted by State Bank of Bikaner and Jaipur ("**SBBJ**"), as set out in Schedule I to the RTL Agreement.

6. Rupee term loan to the tune of INR 50 Crores (Rupees Fifty Crores. Only) ("**SBP RTL**") granted by State Bank of Patiala ("**SBP**"), as set out in Schedule I to the RTL Agreement.

(The SBI RTL, SBH RTL, SBM RTL, SBT RTL, SBBJ RTL and SBP RTL are collectively referred to as "**RTL Facilities**".)

B. VTL Agreement read with the Confirmation Agreement

Pursuant to the Confirmation Agreement, VIL became a party to the VTL Agreement as a co-obligor and assumed all obligations of the obligors therein towards the VTL Lenders (as defined therein), which include SBI, SBM, SBBJ and SBP. The exposures of SBI, SBM, SBBJ and SBP under the VTL Agreement are as follows:

1. Rupee term loan to the tune of Rs. 1,400 Crores granted by SBI ("**VTL SBI RTL**") as set out in Schedule 1 to the VTL Agreement, with a sub-limit of letter of credit facilities up to a limit of Rs. 840 Crores ("**VTL SBI LC Facility**") as set out in Schedule 1 to the VTL Agreement.

2. Rupee term loans to the tune of Rs. 100 Crores granted by SBBJ ("**VTL SBBJ RTL**") as set out in Schedule 1 to the VTL Agreement.



3. Rupee term loans to the tune of Rs. 100 Crores granted by SBM ("**VTL SBM RTL**") as set out in Schedule 1 to the VTL Agreement, with a sub-limit of letter of credit facilities up to a limit of Rs. 50 Crores ("**VTL SBM LC Facility**") as set out in Schedule 1 to the VTL Agreement.

4. Rupee term loans to the tune of Rs. 100 Crores granted by SBP ("**VTL SBP RTL**") as set out in Schedule 1 to the VTL Agreement, with a sub-limit of, letter of credit facilities up to a limit of Rs. 60 Crores (Rupees Sixty Crores Only) ("**VTL SBP LC Facility**") as set out in Schedule 1 to the VTL Agreement.

(The VTL SBI RTL, VTL SBI LC Facility, the VTL SBBJ RTL, the VTL SBM RTL, VTL SBM LC Facility, VTL SBP RTL and VTL SBP LC Facility are collectively referred to as the "VTL Facilities").

C. Working Capital Agreement

1. A working capital facility to the limit of INR 460 Crores (Rupees Four Hundred and Sixty Crores Only) was made available to VIL by SBI, comprising of fund based facility to the tune of INR 162.50 Crores (Rupees One Hundred and Sixty Two Crores and Fifty Lakhs Only) ("**SBI FB**") and non-fund based facilities being letter of credit facility of INR 287.50 Crores (Rupees Two Hundred and Eighty Seven Crores and Fifty Lakhs Only) ("**SBI LC**") and bank guarantee facility of INR 10 Crores (Rupees Ten Crores Only) ("**SBI BG**") as specified in Schedule I to the Working Capital Agreement and forward contracts/derivatives facility of INR 60 Crores (Rupees Sixty Crores Only) ("**SBI FC/DF**").

2. A working capital facility to the limit of INR 83 Crores (Rupees Eighty Three Crores Only) was made available to VIL by SBH, comprising of fund based facility to the tune of INR 29.25 Crores (Rupees Twenty Nine Crores and Twenty Five Lakhs Only) ("**SBH FB**") and non-fund based facilities being letter of credit facility of INR 51.75 Crores (Rupees Fifty One Crores and Seventy Five Lakhs Only) ("**SBH LC**") and bank guarantee facility of INR 2 Crores (Rupees Two Crores Only) ("**SBH BG**") as specified in Schedule I to the Working Capital Agreement.



3. A working capital facility to the limit of INR 92 Crores (Rupees Ninety Two Crores Only) was made available to VIL by SBM, comprising of fund based facility to the tune of INR 32.50 Crores (Rupees Thirty Two Crores and Fifty Lakhs Only) ("**SBM FB**") and non-fund based facilities being letter of credit facility of INR 57.50 Crores (Rupees Fifty Seven Crores and Fifty Lakhs Only) ("**SBM LC**") and bank guarantee facility of INR 2 Crores (Rupees Two Crores Only) ("**SBM BG**") as specified in Schedule I to the Working Capital Agreement.

4. A working capital facility to the limit of INR 85 Crores (Rupees Eighty Five Crores Only) was made available to VIL by SBP, comprising of fund based facility to the tune of INR 31 Crores (Rupees Thirty One Crores Only) ("**SBP FB**") and non-fund based facilities being letter of credit facility of INR 52 Crores (Rupees Fifty Two Crores Only) ("**SBP LC**") and bank guarantee facility of INR 2 Crores (Rupees Two Crores Only) ("**SBP BG**") as specified in Schedule I to the Working Capital Agreement.

(The SBI FB, SBI LC, SBI BG, SBI FC/DF, SBH FB, SBH LC, SBH BG, SBM FB, SBM LC, SBM BG, SBP FB, SBP LC, SBP BG are collectively referred to as "Working Capital Facilities" and the RTL Facilities, VTL Facilities and the Working Capital Facilities are collectively referred to as the "Facilities".)

Therefore, the total debt sanctioned/made available under the Facilities is INR 5392 Crores (Rupees Five Thousand Three Hundred and Ninety Two Crores Only).

II. Details of the Deeds of Guarantee

In respect of the abovementioned Facilities, the following deeds of personal guarantees have been executed by the Personal Guarantor:

1. Deed of Guarantee dated August 8, 2012 ("**RTL Deed of Guarantee**") in respect of the RTL Facilities, wherein the Personal Guarantor has irrevocably, absolutely and unconditionally guaranteed, as a continuing guarantee, to SBICap Trustee Company Limited (being the Onshore



Security Trustee acting for, and on behalf of the Lenders (including SBI ("**Security Trustee**")), inter alia,

(a) the due and punctual performance by the Obligor of each and all of the Obligations, payments, duties, undertaking under and pursuant to the RTL Agreement when due according to the terms of the RTL Agreement;

(b) the due payment and discharge of all such sums of money and liabilities due, owing or incurred or payable and unpaid to the Lenders pursuant to the RTL Agreement or as a result of any breach thereof (including all costs and expenses, including without limitation, legal fees and taxes incurred by the Secured Parties in connection with a Secured Party seeking to enforce or preserve any of its rights), as if he was sole principal debtor and not merely the guarantor; and

(c) unconditionally render any payment or performance guaranteed under the RTL Deed of Guarantee immediately on demand being made pursuant to the RTL Deed of Guarantee upon issuance of the Demand Certificate. Further, to the extent that the Personal Guarantor has a reason to contest the claim of the Security Trustee, it must first pay and then pursue any such claim.

2. Deed of Guarantee dated August 30, 2010 ("**VTL Deed of Guarantee**"), wherein the Personal Guarantor has unconditionally and irrevocably guaranteed due repayment of the VTL Facilities granted under the VTL Agreement, together with all Interest, Lender Commission, Additional Interest, Further Interest, FC Interest, Liquidated Damages, Upfront Fee, Commitment Fees, Prepayment Premium, all other fees, financing charges, reimbursements, costs and/or other payable to the Rupee Lenders, and their trustees and agents, and to give effect to the VTL Deed of Guarantee, the Rupee Lenders may act as though the Personal Guarantor is the principal debtor to the Rupee Lenders.

3. Fourth Supplemental Joint Deed of Guarantee dated May 25, 2012, extending the deed of guarantee dated March 10, 2006 ("**Deed of**



Guarantee"), in respect of the Working Capital Facilities granted under the Working Capital Agreement, wherein, inter alia, the Personal Guarantor has irrevocably, absolutely and unconditionally guaranteed unto the Secured Parties that:

(a) VIL shall duly and punctually pay the Guaranteed Obligations together with interest, additional interest, default interest, costs, charges, expenses and/or other money stipulated in or payable in accordance with the terms and conditions of the Working Capital Agreement and other Financing Documents; and

(b) if at any time, default is made by the VIL in payment of the Guaranteed Obligations, the Guarantors shall forthwith on demand pay to the SBI Consortium, without demur or protest or without the right of any set off and/or deductions and/or adjustments of any kind whatsoever, the whole of such Guaranteed Obligations and shall indemnify and keep indemnified the Secured Parties against all losses with respect to the said Guaranteed Obligations, interest; additional interest, default interest or other money due and all costs, charges and expenses whatsoever which the Secured Parties may incur by reason of any default on the part of the Borrower or as a result of the Guaranteed Obligations being or becoming void, voidable, unenforceable or ineffective as against VIL for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Secured Parties or any their officers, employees, agents or advisers.

Further, in order to give effect to the WC Deed of Guarantee, the Secured Parties shall be entitled to act as if inter alia the Personal Guarantor were a principal debtor to the Secured Parties for all payments guaranteed by them.

III. Claims by SBI in the corporate insolvency resolution process of VIL



Corporate insolvency resolution process in respect of VIL commenced on June 6, 2018. Pursuant to the public announcement made by the interim resolution professional in accordance with the terms of the IBC, SBI had filed claim for an amount of INR 4671.35 Crores (Indian Rupees Four Thousand Six Hundred Seventy-One Crores and Thirty-Five Lakhs Only) in respect of the VIL Facility Agreements as follows:

Sr.	Facility	Outstanding Debt
1.	RTL Facility Agreement	3322.34 Crores
2.	VTL Facility Agreement	608.50 Crores
3.	Working Capital Agreement	740.51 Crores
	Total	4671.35 Crores

IV. Details of the outstanding debt under the Facilities as on May 14, 2020

As on May 14, 2020, the total outstanding debt owed to SBI in respect of the Facilities under the VIL Facility Agreements and for which the Personal Guarantor has issued the Deeds of Guarantees is as follows:

Sr.	Facility	Outstanding Debt (INR)
1.	RTL Facility Agreement	43,43,94,95,183.85
2.	VTL Facility Agreement	8,03,79,65,569.28
3.	Working Capital Agreement	10,09,83,18,752.83
	Total	61,57,57,79,505.96

10. Upon occurrence of events of default' under the VIL Facility Agreements, SBI issued separate demand notices to VIL under each of the RTL Facility



Agreement, VTL Facility Agreement and the Working Capital Agreement, calling upon VIL to satisfy its obligations under the VIL Facility Agreements, pursuant to the following demand notices:

1. Demand notice dated January 18, 2018 issued to inter alia, VIL, calling upon, inter alia, VIL to pay the outstanding amounts in relation to the RTL Facilities under the RTL Agreement;
 2. Demand notice dated January 23, 2018 issued to inter alia, VIL to pay the outstanding amounts in relation to the VIL Facilities under the VTL Agreement and the Confirmation Agreement; and
 3. Demand notice dated January 23, 2018, calling upon, inter alia, VIL to pay the outstanding amounts in relation to the Working Capital Facilities under the Working Capital Agreement.
11. SBI issued demand notices to the Personal Guarantor under each of the VTL Facility Agreement and the Working Capital Agreement, demanding the Personal Guarantor to pay the outstanding amounts under the relevant Facilities. Similarly, the Security Trustee issued a demand notice to the Personal Guarantor under RTL Facility Agreement, demanding the Personal Guarantor to pay the outstanding amounts under the RTL Facility Agreement. The details of the demand notices issued to the Personal Guarantor are set out below:
1. Demand certificate dated February 2, 2018, issued by the Security Trustee under the RTL Deed of Guarantee ("**RTL Demand Notice**") calling upon the Personal Guarantor to pay forthwith, an amount of INR 3171.37 Crores (Indian Rupees Three Thousand One Hundred Seventy-One Crores and Thirty-Seven Lakhs Only) (along with interest and costs as defined under the RTL Agreement), which was due and payable to SBI as on December 31, 2017;
 2. Demand notice dated February 2, 2018, issued by SBI under the VTL Deed of Guarantee ("**VTL Demand Notice**") calling upon inter alia the Personal Guarantor to pay forthwith an amount of INR 676.91 Crores (Indian Rupees Six Hundred and Seventy-Six Crores and Ninety-One



- Lakhs Only) (along with all cost, expenses and fee under the VTL Agreement), which was due and payable to SBI as on December 31, 2017;
3. Demand notice dated February 20, 2018, issued by SBI under the Deed of Guarantee ("**Working Capital Demand Notice**") calling upon the Personal Guarantor to pay forthwith an amount of INR 795.57 Crores (Indian Rupees Seven Hundred and Ninety Five Crores and Fifty Seven Lakhs Only) (along with accrued interest, all costs, expenses, fees, interest at the default rate, under and pursuant to the Working Capital Agreement) which was due as on December 27, 2017.
12. However, the amounts demanded under the Demand Notices continue to be in default and have not been in paid by the Personal Guarantor. Therefore, the total amount in default is INR 4,643.85 Crores (Indian Rupees Four Thousand Six Forty-Three Crores and Eighty-Five Lakh Only) as on December 31, 2017 under the RTL Demand Notice and VTL Demand Notice and as on December 27, 2017 under the WC Demand Notice.
13. Recovery proceedings have been initiated against the Personal Guarantor before the Hon'ble Debts Recovery Tribunal, New Delhi on account of failure to pay the Default Amounts. The aforesaid proceedings are presently pending.
14. Further, a Form B - Demand Notice dated July 23, 2020 ("**IBC Demand Notice**") was issued by SBI under Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, calling upon the Personal Guarantor to pay forthwith an amount of INR 61,57,57,79,505.96 (Indian Rupees Six Thousand One Hundred Fifty Seven Crores Fifty Seven Lakhs Seventy Nine Thousand Five Hundred and Five Paise Ninety Six Only) ("**Default Amount**").
15. This Default Amount as demanded under the IBC Demand notice has not been repaid by the Personal Guarantor within fourteen days of receipt of the IBC Demand Notice.



16. By order dated June 6, 2018, the company petition (CP (IB)-02 (MB)/2018) ("VIL Company Petition") filed by SBI against VIL under Section 7 of the IBC was admitted by the National Company Law Tribunal and inter alia the corporate insolvency resolution process was initiated against VIL. Accordingly, the registered valuers appointed by the resolution professional of VIL for the purposes of valuing VIL.
17. As per SBI, the estimated fair market value of the security provided in respect of the Facilities by VIL and certain group companies, at the time of filing the VIL Company Petition was approximately INR 5283.34 Crores (Rupees Five Thousand Two Hundred Eighty-Three Crores and Forty Five Lakhs Only).

Submissions of the Resolution Professional:

18. The RP has placed on record the report dated 16.09.2021, in terms of provisions of Section 99 (1) read with Section 99 (7) of the Code, the ground(s) for admission of the present application, as recorded in the said RP report, are reproduced in-verbatim as hereinafter:

“RECOMMENDATION BY RP FOR ACCEPTING THE PRESENT APPLICATION

It is humbly submitted by the RP that the present application meets the requirements of the Code as is provided in this report and this Hon'ble NCLT may kindly pass appropriate orders under section 100 of the Code, "ADMITTING" the present application filed by SBI through the RP in CP(IB)/1197/MB/2020 and declare "Moratorium" under section 101 of the Code and issue "Public Notice" for inviting the claims under section 102 of the Code and may pass such orders as this Hon'ble NCLT deem necessary.”

Submissions of the Respondent:

19. On perusal of the order dated 23.02.2026, it is observed that the reply of the Personal Guarantor was not available on record either in the hard copy or on the DMS, however the reply has been served upon the Petitioner and the Ld. Counsel for the Petitioner has confirmed the same.



Also, three-days' time was given to the Respondent to upload their reply on the DMS. Further thereto, during the course of hearing on 12.03.2026, Ld. Counsel for the Respondent informed that the reply has been uploaded however the same is not visible on the DMS. On perusal of the DMS portal it is observed that though the Reply is available on the DMS however the status of the same is shown as "Defected Document". Further on the last hearing dated 17.03.2026, upon request of the Respondent, 2 days' time was given to the Respondent to handover written submission to the court officer, failing which it shall be presumed that they don't wish to file any written submission and the matter shall be adjudicated based on the material available on record. Accordingly, as the Respondent has failed to file written submission this Tribunal is adjudicating the matter based on the material available on record.

20. Upon perusal of the Reply filed on the DMS, it is observed that the Respondent has contended that the present company petition is not maintainable since the Applicant has not complied with the mandatory provisions as laid down under Section 95(1) of 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 Debtor) Rules, 2019.
21. It is submitted that no reliance should be placed on Report of the RP since the Deed of Guarantee was entered between the Respondent and SBICAP Trustee Company Limited, whereas the present Application has been filed by the State Bank of India whereas the Guarantee was granted to SBICAP Trustee Company Limited which is an artificial person and not a part of the Deed of Guarantee.
22. Further, it is contended that the alleged debt is barred by law of limitation as the present application was filed on 01.09.2020, whereas the first cause of action to invoke the Personal Guarantee arose on the first date of default by the principal borrower. The Respondent has relied upon decision dated 06.06.2018 given by this Tribunal in Company Petition No.2 of 2018, as per which the first default had occurred on



05.03.2016, which gave a first cause of action to the Petitioner to claim the alleged debt from the principal debtor/corporate debtor as well personal guarantor as admittedly as per the settled law of guarantee, the liability and default is co-extensive for principal borrower and personal guarantor. That as such, the time has begun to run as prescribed in the Limitation Act for principal borrowers/ corporate debtor as well as the personal guarantor on the very day of first default, i.e. 01.05.2016, as the liability of personal guarantor and principal borrower is co-extensive.

23. It is submitted that the SBI had issued a notice Dated 23rd July 2020 to Mr. V N Dhoot interalia mentioning that the Accounts of Videocon Group of Companies i.e. Principal Borrower have become NPA with effect from 30th April 2017 in view of non-payment of interest in January 2017. The date of default for the purpose of the Limitation Act shall be not date of NP A but the date of the first default, where from time will begin to run i.e. 01/05/2016 as per own communication of SBI, so also no petition was filed until 02 May 2019 by the Petitioner, after expiry of prescribed period of statutory limitation of 3 years under article 137 of Limitation Act, hence this petition is barred by the law of limitation. In this regard, reliance has been placed on the judgment of the Hon'ble Supreme Court in ***Laxmi Pat Surana vs. Union Bank of India & anr reported in 2021 SCC Online SC 267.***

Analysis & Findings:

24. Heard the Ld. Counsels for the parties and perused the record. We have given our thoughtful consideration to the pleadings and submissions.
25. It is noted that neither a hard copy of the Reply nor the written submissions has been filed on record. Although the Reply was served upon the Petitioner and uploaded on the DMS portal, its status reflects as a "defective document". It is further observed that the Respondent was given sufficient opportunities to file the Reply and cure the defects; however, the Respondent has failed to do so. Accordingly, the matter is proceeded with for adjudication on the basis of the material available on record.



26. It is pertinent to note that the Petitioner has also instituted Company Petitions Nos. 1198 of 2020 and 1195 of 2020 under Section 95 against two other personal guarantors, arising out of the same Deed of Guarantee and identical factual matrix. Both petitions were admitted by this Tribunal vide orders dated 04.06.2024 and 14.06.2024, respectively. The said orders were challenged before the Hon'ble NCLAT on the ground of limitation. The Hon'ble NCLAT, upon consideration of the Deed of Guarantee dated 08.08.2012, the Supplemental Joint Deed of Guarantee dated 25.05.2012, and the demand notices, held that the petitions were filed within the prescribed period of limitation and accordingly dismissed the appeals.
27. In the present case, the contention of the Respondent that the petition is barred by limitation is devoid of merit. The default qua the Respondent arose upon issuance of the demand notice by SBI to the Personal Guarantor in July 2020, whereas the present petition was filed in September 2020. As held by the Hon'ble NCLAT in ***R.N. Dhoot vs. State Bank of India, CA (AT) (Ins.) No. 1443 of 2024***, the period of limitation for initiating proceedings against a Personal Guarantor commences from the date of default in discharge of the guarantee obligation, and not from the date of default by the Principal Borrower. Accordingly, the present petition has been filed well within the prescribed period of limitation.
28. As regards contention that State Bank of India could not have filed present petition as the Deed of Guarantee dated 08.08.2012 was entered between the Respondent and SBICAP Trustee Company Limited, we find that the Guarantee was in relation to one of the facilities. However, the Petitioners have extended Rupee Facilities and the Guarantor has executed a deed of Guarantee dated 30.08.2010 in favour of the lenders, one of whom is stated to be the Petitioner here in terms of Schedule I annexed to the Deed of Guarantee. Further, the Petitioner herein is also one of the lending banks amongst others, in whose favour the guarantor had executed the fourth supplemental joint deed of Guarantee dated 25.05.2012. Nonetheless, the SBICAPS Ltd. was acting onshore security



trustee on behalf of the lenders, one of whom is the Petitioner herein. In view of these facts, particularly the fact that Guarantee dated 30.08.2010 and 25.05.2012 were executed specifically in favour of the Financial Creditor herein, we do not find any substance with the contention of the Respondent.

29. The present petition was filed on 01.09.2020 and Mr. Asish Narayan was appointed as a resolution professional vide order dated 01.09.2021. Pursuant to the order dated 01.09.2021, the RP has filed report under section 99 of the code, thereby recommending admission of the application filed under Section 95 of the code.
30. Upon perusal of the documents on record, it is clearly established that the Corporate Debtor has committed defaults in repayment of loan amount granted by the Financial Creditor. **Mr. Venugopal Nandlal Dhoot**, Personal Guarantor to **Videocon Industries Limited** and **Videocon Telecommunications Limited** has also committed default in repayment of loan facility demanded by the Financial Creditor after invocation of Personal Guarantee. The Application filed by the Creditor satisfies the requirement as set out in Section 95 of the Code.
31. Considering the above facts and circumstances and upon perusal of the documents on record viz. the demand notices, proof of service, guarantee deeds, joint deed of guarantee, etc., the C.P. (IB) 1197/MB/2020 filed under Section 95 of the IBC, 2016 is hereby **Admitted** and the Insolvency Resolution Process stands initiated against **Mr. Venugopal Nandlal Dhoot** viz. the Respondent herein. We hereby direct as hereinafter:
 - I. Initiate Insolvency Resolution Process against the Respondent/Personal Guarantor and 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 Sec 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 Resolution Professional viz. **Mr. Asish Narayan** Insolvency Resolution Professional, having Registration No. IBBI/IPA-002/IP-N00444/2017-18/11274, having registered address at 11A/504, Springleaf, Lokhandwala, Kandivli (East), Mumbai-400101 and business address at Resurgent Resolution Professionals LLP 303, Central Plaza, 166 CST Road, Kalina, Mumbai - 400098 [**E-Mail: cs.asish@gmail.com, Mobile no.: 9920299049 and business phone no. 022-67080400**] is directed to cause a public notice published on behalf of the Adjudicating Authority within 7 days of passing this Order on the website of the NCLT Mumbai Bench, inviting claims from all Creditors, within 21 days of such issue. The notice under Sub Section (1) of Section 102(2) 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.

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.

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.

- V. The Resolution Professional shall submit the repayment plan along with his 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.
- VI. In case the Resolution Professional recommends that a meeting of the creditors is not required to be called, he shall record the reasons thereof. If the Resolution Professional is of the opinion that a meeting of the creditors should be summoned, he 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 sub- section (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.

- VII. 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.
- VIII. The Resolution Professional shall submit his periodic reports before this Tribunal, every 30 days.
- IX. The Applicant is directed to deposit **INR 2,00,000/-** (Indian Rupees Two lakhs) to the bank account of the Resolution Professional within **one week**, towards his fees. This shall be subjected to the rules and regulations under the provisions of the Insolvency and Bankruptcy Code, 2016.
- X. The Registry is directed to communicate a copy of order, report and application within **seven** working days and upload the same on the website immediately after the pronouncement of order.

Sd/-
Charanjeet Singh Gulati
Member (Technical)

OmkarD.

Sd/-
Nilesh Sharma
Member (Judicial)