IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH–I, CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **23.09.2026** THROUGH VIDEO CONFERENCING

CORAM: **HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)**
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER :

PETITION NUMBER **:** CP(IB)/177(CHE)/2026

NAME OF THE PETITIONER(S) **:** Punjab National Bank

NAME OF THE RESPONDENT(S) **:** Reji Abraham.

UNDER SECTION **:** Sec 95(1) of IBC, 2016

ORDER

Present: Shri. Krishna Prasad, Ld. Counsel for the Petitioner/Financial Creditor.
Ms. Neha, Ld. Counsel for the Respondent/Personal Guarantor.

Vide separate order pronounced in the Open Court, the petition is dismissed.

File be consigned to records.

Sd/-
[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)

Sd/-
[SANJIV JAIN]
MEMBER (JUDICIAL)

VS

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH – I, CHENNAI

CP(IB)/177(CHE)/2026

(Filed under Section 95(1) of the Insolvency and Bankruptcy Code, 2016)

PUNJAB NATIONAL BANK,
Through its Authorised Representative,
C.G. Ranjith,
Stressed Asset Management Branch (SAMB),
No. 46-49, 4th Floor, PNB Towers,
Royapettah High Road,
Chennai-600 014

…... *Petitioner/Financial Creditor*

-Versus-

Mr. Reji Abraham,
Jan Priya Crest,
No. 113, Pantheon Road, Egmore,
Chennai-600 008

….. *Respondent/Personal Guarantor*

Present:

For Applicant	:	*Shri. Avinash Krishnan Ravi, Advocate*
For Respondent	:	*Shri. E. Om Prakash, Sr. Advocate*
		Shri. Pradeep Joy, Advocate

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)
VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

Order Pronounced on 23rd September, 2026

ORDER

(Heard through Video Conferencing)

This petition CP(IB)/177(CHE)/2026 under Section 95 of IBC, 2016 read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 has been filed by **Punjab National Bank,** Stressed Asset Management Branch, Chennai **("Financial Creditor")** against R**eji Abraham ("Personal Guarantor")** who stood guarantor for the loan facilities availed by the Corporate Debtor, Aban Holdings Pte. Ltd. ("Principal Borrower"). The prayer made in the petition is to initiate insolvency resolution process against the Personal Guarantor. **Part-I** of the petition sets out the details of the Petitioner, Punjab National Bank. **Part-II** of the petition sets out the details of the Personal Guarantor, Reji Abraham. He has been living at Jan Priya Crest, No. 113, Pantheon Road, Egmore, Chennai-600 008. **Part-III** of the petition sets out the details of the creditor, Punjab National Bank. The amount of debt is stated as Rs.896,00,00,000/- (Rupees Eight Hundred and Ninety Six Crores only) and date of default is stated as 07.01.2026Demand

Notice in Form-B was issued on 08.01.2026. In **Part-IV,** the Petitioner has not proposed any name of the Interim Resolution Professional.

2. The case of the Petitioner is that Punjab National Bank under a consortium arrangement dated 23.12.2012, sanctioned foreign currency loan and SBLC facilities aggregating upto USD 2130 million to Aban Holdings Pte. Ltd., a holding company of Aban Group. The facilities were extended for the purposes of refinancing existing facilities, meeting bond redemption commitments and funding transaction and acquisition costs of the Group's offshore dealing assets. The loans were secured by a pari passu mortgage over multiple offshore drilling rigs, including Deep Driller 1 to 8, Aban 7, and Aban 8 along with pledge of shares of group subsidiaries. The company also executed loan security documents in continuation of SBLC agreement dated 23.12.2012.

3. It is stated that the bank also sanctioned a foreign currency loan facility of USD 123 million to Aban Abraham Pte. Ltd. on 03.05.2006 and 04.05.2026 for the purpose of acquiring and operating the drillship "Aban Abraham". The facility was secured by a first mortgage over the drillship and by pledge of 30% equity shares of the company held by Aban Singapore Pte. Ltd.

4. It is stated that the bank sanctioned a Foreign Currency Loan of USD 128 Million on 02.11.2006 to Aban International Norway AS. The facility was secured by escrow of dividend from Sinvest shares acquired by the company under the project and pledge of 60.01% of shares of Sinvest ASA Northway to be acquired by the company under the Project in favour of the security trustee. To that end, the company executed the loan security documents.

5. It is stated that the bank sanctioned a SBLC/Guarantee facilities for raising Foreign Currency Loan of USD 112 Million. The facility was extended to fund acquisition of premium and self-elevating Jack-up Rig Deep Driller 6. The facility was secured by first mortgage over the rig, and pending creating of such mortgage, by assignment of rights under the Construction Agreement dated 03.08.2005 executed with Keppel FELS Ltd. The company's movable assets and receivables were also hypothecated in favour of the lender.

6. It is stated that as per the terms of the sanction letter and the loan security documents, the company had to repay the facilities/loans within the period of 14 years and 3 months.

7. It is stated that Respondent Reji Abraham stood as a Personal Guarantor. The Personal Guarantee covers the said facilities and the

liability is coextensive with that of the company for the entire consortium exposure forming part of the guaranteed amount to the maximum of USD 128 million .

8. It is stated that the aforesaid facilities being credit disbursements were for consideration of the time value of money constitute financial debt under IBC. It is stated that the bank issued a letter dated 30.06.2018 invoking the personal guarantee for non-payment of dues by Aban Holdings Pte. Ltd. since the liability of the Personal Guarantor under the continued personal guarantee was subsisting and enforceable in pursuance to the Deed of Guarantee dated 25.07.2009 whereby Reji Abraham guaranteed an aggregate sum of USD 128 Million to secure the credit facilities extended to the above entities and further in terms of the letter of Continuing-cum-Undertaking dated 03.07.2014 extending and reaffirming the personal guarantee for the due payment of all outstanding credit facilities availed by the above entities. In addition thereto, Aban Holdings Pte. Ltd. being the holding company of the above entities, addressed an OTS offer letter dated 06.01.2023 to the bank which constitutes a further acknowledgement of subsisting debt and continuing liability of the borrower entities and the Personal Guarantor without in any manner

discharging or novating the Respondent's obligations under the continuing personal guarantee.

9. With this petition, the Petitioner has given the details of securities held by the bank for each company in Annexure-A to the demand notice. In Annexure-B, it has given the list of documents annexed with the notice.

10. This Tribunal vide an order dated 20.08.2026, listed the petition on its maintainability since the Respondent/Personal Guarantor was allegedly the Guarantor for the facilities extended to the foreign entities. An opportunity was also granted to the Guarantor to argue on the maintainability of the petition vide the same order.

11. We have heard Ld. Counsels for the parties. They have also filed written synopsis vide S.R. No. 4104 date 03.09.2026 (Petitioner) and S.R. No.4106 dated 03.09.2026 (Respondent) along with the case laws.

12. Ld. Counsel for the Petitioner referred the case of *State Bank of India v. Mahendra Kumar Jajodia, Company Appeal (AT) (Ins.) Nos. 60 and 61 of 2022* where construing Sections 60(1) and 60(2) of IBC, Hon'ble NCLAT held as under :

7. "The sub-section 2 of Section 60 does not in any way prohibit filing of proceedings under Section 95 of the Code even if no proceeding are pending before NCLT."

8. "Section 60(2) is applicable only when CIRP or Liquidation Proceeding of a Corporate Debtor is pending, when CIRP or Liquidation Proceeding are not pending with regard to the Corporate Debtor there is no applicability of Section 60(2)."

13. Ld. Counsel submits that the appeal against the judgment of Hon'ble NCLAT was dismissed by the Hon'ble Supreme Court in Civil Appeal No. 1871-1872 of 2022 on 06.05.2022.

14. Ld. Counsel also referred the case of *UCO Bank v. Subrata Das, Company Appeal (AT) (Insolvency) No. 451 of 2025 with Company Appeal (AT) (Insolvency) No. 452 of 2025*, decided on 14.07.2026, wherein it was held as under:

18. "Applications filed under Section 95 against the Personal Guarantors are maintainable even in the absence of pending CIRP or liquidation proceedings of the Corporate Debtor."

21. "[A] creditor is entitled to initiate action against the Personal Guarantor directly, even, if no CIRP or separate legal action has been initiated against the Corporate Debtor."

15. Ld. Counsel submits that the said proposition has been recognized in *Kamlesh Devi Aggarwal v. State Bank of India, I.A. (I.B.C.)/3863(PB)/2021 and I.A. (I.B.C.)/4592(PB)/2024 in CP (IB)–416(PB)/2021* where NCLT held as under:

30. "We are of the view, there is no legal impediment for the NCLT to act as an AA in terms of section 60(1) even if no CIRP is initiated or pending against the CD."

16. Ld. Counsel submits that absence of proceedings against the principal borrowers does not by itself render the present petition non-maintainable before this Tribunal. The mere fact that the principal borrowers are incorporated outside India does not by itself, exclude them from the definition of a 'corporate person' under Section 3(7) of IBC. Section 2(e) provides for the application of the Code to 'personal guarantors to corporate debtors'. Rule 3(1)(e) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 defines a "guarantor" to mean:

"a debtor who is a personal guarantor to a corporate debtor and in respect of whom guarantee has been invoked by the creditor and remains unpaid in full or part."

17. Section 3(8) of the Code defines a "corporate debtor" to mean:

"a corporate person who owes a debt to any person."

18. Section 3(7), defines a "corporate person" to mean:

"a company as defined in clause (20) of section 2 of the Companies Act, 2013, a limited liability partnership, as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008, or any other person incorporated with limited liability under any law for the time being in force but shall not include any financial service provider."

19. Ld. Counsel submits that the petitioner relies upon section 2(20) and section 2(42) of the Companies Act, 2013 in support of the status of foreign borrower entities which recognize a foreign company as a company or body corporate incorporated outside India. Even assuming that the principal borrowers do not fall within the first limb of Section 3(7) read with Section 2(20), the statutory enquiry does not end there. Section 2(42) of the Companies Act defines a foreign company as any company or body corporate incorporated outside India. A foreign company does not cease to possess the character of a company merely because it is incorporated outside India. Section 2(20) read with 2(42) supports the inclusion of a foreign company within Section 3(7) of IBC. The foreign incorporation does not place a corporate entity wholly outside the jurisdiction contemplated by the Act. Sections 375 and 376 expressly contemplate winding up proceedings in respect of unregistered and foreign companies and thus recognize situations in which the tribunal may exercise jurisdiction in relation to a foreign-incorporated corporate body. Section 3(7) contains "any other person incorporated with limited liability under any law for the time being in force". The use of the disjunctive "or" is significant where Parliament intended to confine the definition to entities constituted under identified Indian enactments, it expressly

named those enactments. Section 3(7) does not employ the words "under any other law" or "under any law in force in India". The residual limb must therefore be given independent and substantive effect and cannot be rendered redundant merely because the entity is incorporated outside India.

20. Ld. Counsel submits that the borrower entities in the present case are the incorporated bodies. The documents recognize them as incorporate corporate entities. Foreign incorporation by itself does not establish that the principal borrowers fall outside Section 3(7).

21. Ld. Counsel submits that the other statutory ingredient is the existence of the personal guarantee. The Respondent executed the Deed of Personal Guarantee dated 25.07.2009 and letter of continuing-cum-undertaking dated 03.07.2014 covering all the four borrower entities. Present case is not one in which there is no contract of guarantee or no identified principal borrower. The issue is only whether these entities satisfy the statutory definition of corporate person. It is settled law that a court while interpreting a statute, cannot advert which the legislature has consciously not implied or supply an omission merely because of another formulation may appear desirable.

In the case of *Susanta Mukherjee v. Union of India, 1975 SCC OnLine Cal 158,* the Hon'ble Calcutta High Court did not consider or construe section 3(7) of IBC.

22. Ld. Counsel submits that the present proceeding does not seek insolvency resolution of the foreign borrower entities or administration of their assets abroad. It is a proceeding against the Respondent upon the personal guarantee furnished by him. Therefore reliance upon *GVK Industries Ltd. v. Income Tax Officer, (2011) 4 SCC 36* does not determine whether the borrower entities fall within Section 3(7).

23. Ld. Counsel submits that IBC cannot be construed as being insolated from foreign law or transactions having a foreign element. The code contemplates circumstances in which rights disabilities or legal consequences arising under foreign law may have relevance and operative in the proceedings under the IBC where an Indian Bank has extended financial facilities to a foreign incorporate company and a borrower has defaulted and such default has resulted in the liability of the Personal Guarantor under a guarantee governed by Indian Law, the provisions of IBC cannot be construed so as to render the statutory remedy against such Guarantor unavailable merely because the principal borrower is incorporated outside India. While considering

Section 29A(i) of the Code, the Hon'ble Supreme Court examined the legal consequences of disabilities imposed upon persons situated outside India under foreign law or foreign regulatory regimes. The said decision demonstrates that the mere involvement of a foreign jurisdiction or a foreign law does not by itself place the relevant person or legal status beyond the contemplation of the Code. The Respondent's objections that since the principal borrowers are incorporated outside India and have no Registered Office within the territorial jurisdiction of NCLT, the present petition cannot be maintained, raise two distinctive questions 'whether remedy under Section 95 is available against the Respondent' and 'which tribunal would have territorial jurisdiction to exercise that remedy'.

24. Ld. Counsel submits that the statutory remedy against the Personal guarantor is not contingent upon the commencement of proceedings against the Corporate Debtor. **There is no provision in Section 95 which stipulates that insolvency resolution process against the Personal Guarantor becomes unavailable merely because the Corporate Debtor is incorporated outside India or does not possess a registered Office in India. Once the remedy under Section 95 is otherwise available against the Respondent, the provisions relating to territorial jurisdiction must be construed so as to identify**

the competent forum for exercise of that remedy. e.g.: If one individual is personal guarantor to three different corporate debtors situated in three different jurisdictions and all the three debtors are in default and no proceedings under IBC are initiated against any of them, then in such a situation where the insolvency proceedings against the personal guarantor would be initiated. Ld. Cousnel submits that the jurisdiction over Personal Guarantor cannot remain contingent upon a future or uncertain event i.e. possible initiation of proceeding against one of three corporate debtors. Section 60(2) does not provide the territorial answer in such a situation. It only provides where a CIRP or liquidation proceeding against the Corporate Debtor is already pending before NCLT and in such a case, requires the proceedings against the personal guarantor to be filed before the same NCLT. The question of territorial jurisdiction has to be examined by reading section 179(1) together with section 60(4) of IBC. Section 60(4) vests with NCLT the power from DRT as contemplated under Para-III of the Code while Section 179(1) provides the territorial criteria in relation to an individual by reference to the place where such individual actually and voluntarily resides, carries on business or personally works for gain. In the present case, the Respondent admittedly resides at Chennai and the

territorial access contemplated under section 179(1) points to Chennai. The continuing personal guarantee refers to facilities payable at Punjab National Bank, Corporate Branch, Chennai; the Letter of continuity-cum-undertaking dated 03.07.2014 was executed at Chennai and the personal guarantee is governed by India Law, so these circumstances establish a direct and substantial territorial nexus with Chennai.

25. Ld. Counsel for the Respondent per contra submits that Respondent had executed the personal guarantee securing the credit facilities to the entities situated outside India. The present proceedings under Section 95 therefore fall beyond the scope of the Code. Ld. Counsel referred Section 408 and Section 419 of the Companies Act, 2013 to contend that the Central Government by notification No. S.O. 1935(E) dated 01.06.2016 constituted several Benches of NCLT and assigned to each Bench territorial jurisdiction over specified States and Union Territories. NCLT Chennai Bench has been assigned territorial jurisdiction over Companies whose registered office is situated in the State of Tamilnadu and the Union Territory of Puducherry. The right to invoke the provisions of the Code has to be established in the context of a Corporate Debtor having its registered office in the territorial jurisdiction of the particular NCLT Bench. In the presence

case, none of the Principal Borrowers has, or could have its registered office in India. Each of them is an entity incorporated and having its registered / principal office outside the territory of India and as such this Tribunal has no territorial jurisdiction to entertain proceedings referable to the said entities. He referred Section 60(1) of IBC which anchors the territorial jurisdiction of the Adjudicating Authority in respect of proceedings against a Personal Guarantor to the place where the registered office of the Corporate Debtor is located. He submits that the Code being domestic legislation of limited territorial reach, confers no extra territorial jurisdiction upon the Adjudicating Authority to adjudicate obligations arising from entities situated beyond the soverign and statutory framework of India. In support of his contentions, he referred the case of *State Bank of India Vs. Mahendra Kumar Jajodia, (2022) ibclaw.in 89 NCLAT,* upheld by the Hon'ble Supreme Court in *(2022) ibclaw.in 32 SC.* He also referred Section 2(e) of IBC which provides that provisions of the Code shall apply to personal guarantors to Corporate Debtors. He submits that applicability of the provisions of the Code was extended to Personal Guarantors of Corporate Debtors vide Amendment Act, 2019 r/w notification S.O. 4126(E) dated 15.11.2019 where the legislation added a class of Personal Guarantors to Corporate Debtors alone and not to individuals as a whole.

26. Ld. Counsel places reliance on Section 5(22) of the Code which defines a Personal Guarantor as an individual who is the surety in a contract of guarantee to a Corporate Debtor. He submits that a person can be treated as a personal guarantor only where the underlying principal debtor satisfies the statutory description of a Corporate Debtor. This position stands fortified by Rule 3(e) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 which defines a Guarantor as a Debtor who is a Personal Guarantor to a Corporate Debtor and in respect of whom guarantee has been invoked by the Creditor and remains unpaid in full or part. Section 3(8) defines Corporate Debtor. It means a Corporate Person who owes a debt to any person. Section 3(7) defines Corporate Person to mean a company as defined in 2(20) of the Companies Act, 2013, a limited liability partnership as defined in 2(1)(n) of the Limited Liability Partnership Act, 2008 or any other person included with limited liability under any law for the time being in force but shall not include any financial service provider. He refers to 2(20) of the

Companies Act which defines Company to mean a Company incorporated under this Act or under any previous Company Law.

27. Ld. Counsel submits that none of the Principal Borrowers is a Company incorporated under Companies Act, 2013 or any previous Indian Company Law. The Principal Borrowers are the entities incorporated under Foreign Law namely the laws of Singapore and Norway. He referred the case of *Kamlesh Devi Aggarwal Vs. State Bank of India, I.A. (IBC)/3863(PB)/2021 in CP(IB)/416(PB)/2021, order dated 06.01.2025,* where it was held that a personal guarantor as a concept is always seen in connection with Corporate Debtor and Section 60(1) declares that Adjudicating Authority for Corporate Debtor as well as Personal Guarantor to Corporate Debtor is NCLT having territorial jurisdiction over the registered office of the Corporate Debtor. He submits that a Foreign Company though recognized for certain limited Regulatory Purposes under Chapter XXII of the Companies Act, 2013 does not become a Company within the meaning of Section 2(20) and is not brought within the fold of Section 3(7) of the Code without any express inclusion of a Foreign Company as a Corporate Debtor. He referred the case of *Susanta Mukherjee Vs. Union of India, 1975 SCC Online Cal 158,* where Hon'ble Calcutta High Court while interpreting the expression "any law for the time being force" occurring in Section

3(38) of the General Clauses Act, 1897, held that the expression must be construed as referring only to laws in force in India and not to the laws of any Foreign Country since the legislature of a Country is territorial in character and its enactments are intended to operate within its own realm and not beyond it. He also referred the case of *GVK Industries Vs. Income Tax Officer, (2011) 4 SCC 36*, where Hon'ble Supreme Court held that the Parliament is ordinarily presumed to legislate only for India, unless a contrary intention clearly appears from the statute. He submits that no such contrary intention is discernible from the language of Section 3(7) of the Code; on the contrary, the specific categories enumerated therein, both being Indian statutory constructs, point clearly against extra territorial reading of the residuary clause. He contends that Central Government's notification dated 15.11.2019 bringing the personal insolvency provisions of Part III of the Code into force, notified those provisions only *insofar as* they relate to personal guarantors to Corporate Debtors. The applicability of Section 95 is thus statutorily conditioned upon the existence of a Corporate Debtor as defined under the Code. Ld. Counsel submits that the Respondent does not satisfy the definition of a Personal Guarantor within the meaning of Section 5(22) of the Code, there being no Corporate Debtor in existence to which the alleged guarantee can be said to relate. Rule 7 prescribes Form C as the form in which an application under Section 95 is required to be made. Serial No. 14 of Form C requires particulars of the Corporate Debtor to which the Respondent is a Personal Guarantor. The Petitioner in the present case has furnished the particulars of the Principal Borrowers. He submits that the mandatory requirements cannot be circumvented by treating a foreign entity as a Corporate Debtor or by invoking a jurisdiction of a Tribunal Bench contrary to the scheme of Section 60 of the Code. The Petitioner reliance on Section 20 of CPC is wholly misconceived as in the present case there are specific statutory provisions as to the jurisdiction of NCLT under the Companies Act and the Code.

Analysis and Findings

28. We have given our thoughtful consideration to the rival contentions and perused the record and gone through the written synopsis and the case laws as well as the Notifications referred supra.

29. Section 60 of IBC provides the Adjudicating Authority for Corporate Persons

> *60(1) The Adjudicating Authority, in relation to insolvency resolution and liquidation for corporate persons including corporate debtors and personal guarantors thereof shall be the National Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate persons located.*

60(2) Without prejudice to sub-section (1) and notwithstanding anything to the contrary contained in this Code, where a corporate insolvency resolution process or liquidation proceeding of a corporate debtor is pending before a National Company Law Tribunal, an application relating to the insolvency resolution or [liquidation or bankruptcy of a corporate guarantor or personal guarantor, as the case may be, of such corporate debtor] shall be filed before such National Company Law Tribunal.

30. This petition under Section 95 of IBC has been filed by the Punjab National Bank against the Personal Guarantor Reji Abraham for initiating insolvency resolution process in respect of Foreign Currency Loan and SBLC facilities sanctioned by the Petitioner under a consortium arrangement to the entities Aban Holding Pte. Ltd, Aban Abraham Pte. Ltd, Aban International Norway AS, the foreign entities incorporated and registered outside India. Reji Abraham had guaranteed to the above facilities aggregating to USD 128 Million vide deed of guarantee dated 25.07.2009 which he extended by issuing a letter of continuing cum undertaking dated 03.07.2014. In addition, Aban Holdings Pte Ltd being the holding Company of the above entities issued an OTS offer letter dated 06.01.2023 acknowledging the debt and liability. No doubt, the Respondent / Personal Guarantor is an Indian Citizen / Resident Indian but all the Corporate Debtors / Entities are the Foreign Entities incorporated and registered outside India and not within the territory of India. Hon'ble Supreme Court in

the case of *GVK Industries Limited supra* has held that the Parliament constitutionally is restricted from enacting legislation with respect to extra territorial aspects or causes that do not have, nor expected to have any, direct or indirect, tangible or intangible impact or effect in or consequences for the territory of India or any part of India or the interest of, welfare of, well being of, or security of inhabitants of India, and Indians. However, the Parliament may exercise its legislative powers with respect to extra territorial aspects or causes, events, things, etc., that occur, arise or exist or may be expected to do so, naturally, or on account of some human agency, in the social, political, economic, cultural, biological, environmental or physical spheres outside the territory of India, and seek to control, modulate, mitigate or transform the effects of such extra territorial aspect or causes, or in appropriate cases, eliminate or endanger such extra territorial aspects or causes, only when such extra territorial aspects or causes have, or are expected to have, some impact on, or effect in, or consequences for: (a) the territory of India, or any part of India; (b) the interests of, welfare of, wellbeing of, or security of inhabitants of India, and Indians.

It was held that any law enacted by Parliament with respect to extra territorial aspects or causes that have no impact on or nexus with India would be ultra vires, and would be laws made for a foreign territory.

31. NCLT, Principal Bench, in *Kamlesh Devi Aggarwal supra* referred preamble of the Code, Section 3(7), Section 3(8), Section 5(22), Part – II of the Code, Section 79, Chapter VI under Part III, Rule 3, Section 60, Section 179 and also referred the case of *Lalit Kumar Jain Vs.Union of India & Ors, Transferred Case (Civil) No. 245 of 2020* decided by Hon'ble Supreme Court, *State Bank of India Vs. Mahendra Kumar Jajodia supra,* held that NCLT having territorial jurisdiction over registered office of the Corporate Debtor is the forum before which application for insolvency resolution or bankruptcy of the Personal Guarantor shall be filed irrespective of the fact whether CIRP or the liquidation of the Corporate Debtor is initiated or pending or concluded or not before such NCLT having territorial jurisdiction. It is relevant to refer the excerpts of the order:-

> *20. The intent of the Code qua the issue raised in the matter needs to be discussed. In this pursuit we first take note of the Preamble of Code, which provides as follows:*
>
> > *An Act to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests*

of all the stakeholders including alteration in the order of priority of payment of Government dues and to establish an Insolvency and Bankruptcy Board of India, and for matters connected therewith or incidental thereto

The preamble makes three categories of persons who are covered under the scheme of IBC i.e., Corporate Persons, Partnership Firms and Individuals.

21. We find it pertinent to go through the relevant definitions. Section 3(7) of the Code, provide a definition for 'Corporate Person' which reads as:

> *(7) "corporate person" means a company as defined in clause (20) of section 2 of the Companies Act, 2013 (18 of 2013), a limited liability partnership, as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008 (6 of 2009), or any other person incorporated with limited liability under any law for the time being in force but shall not include any financial service provider;*

Further section 3(8) provide definition for the 'Corporate Debtor', which reads as:

> *(8) "corporate debtor" means a corporate person who owes a debt to any person;*

Further, section 5(22) of the Code, defines 'Personal Guarantor', as:

> *(22) "personal guarantor" means an individual who is the surety in a contract of guarantee to a corporate debtor;*

Rule 3(e) of the Personal Guarantor Rules, define 'Guarantor' as:

> *(e) "guarantor" means a debtor who is a personal guarantor to a corporate debtor and in respect of whom guarantee has been invoked by the creditor and remains unpaid in full or part*

The above definitions make it is evident, firstly that a 'Personal Guarantor' is a subset of 'Individuals' and secondly that a 'Personal Guarantor', as a concept is always seen in connection with 'Corporate Debtor', for whom such personal guarantor has stood as surety under a contract of guarantee and the debt remained unpaid in full or in part.

22. Now, we see that Part II of the Code, deal with the insolvency resolution & liquidation for 'Corporate Persons' which include

'Corporate Debtor'. On the other hand, insolvency resolution and bankruptcy for Individuals and Partnership Firms is dealt with under Part III of the IBC. 'Corporate Persons' do not cover 'Personal Guarantor' and thus so far as, provisions and procedures are concerned, there can be no dispute that it is only Part III, which is applicable to the Personal Guarantor, being an individual.

23. Since it is Part III of the Code which specifically deals with Individuals including personal guarantors, to answer the question raised in the present matter, i.e., who would be the Adjudicating Authority for the Personal Guarantor? We first refer to the provisions of Part III of the code.

24. Section 79 under Chapter 1, Part III of the Code, provides definition clause, and it starts with in this Part, unless the context otherwise requires, followed by definition of Adjudicating Authority under subsection (1), which reads as:

> *(1) "Adjudicating Authority" means the Debt Recovery Tribunal constituted under subsection (1) of section 3 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (51 of 1993)*

25. Further, chapter VI under Part III, specifically deal with the Adjudicating Authority for Individuals and Partnership Firms. Section 179, under this chapter, reads as:

> *179. Adjudicating Authority for individuals and partnership firms. –*
>
> > *(1) Subject to the provisions of section 60, the Adjudicating Authority, in relation to insolvency matters of individuals and firms shall be the Debt Recovery Tribunal having territorial jurisdiction over the place where the individual debtor actually and voluntarily*
>
> *We also refer to Rule 3 of the Personal Guarantor Rules, which provide for the Adjudicating Authority, in following terms*
>
> *Definitions. — (1) In these rules, unless the context otherwise requires, -*
> *(a) "Adjudicating Authority" means-*

(i) for the purpose of section 60, the National Company Law Tribunal constituted under section 408 of the Companies Act, 2013 (18 of 2013); or

(ii) in cases other than sub-clause (i), the Debt Recovery Tribunal established under sub-section (1A) of section 3 of the Recovery of Debts and Bankruptcy Act, 1993 (51 of 1993);

26. We note that for the purpose of Part III, which is applicable to Individuals including Personal Guarantors, it is the Debt Recovery Tribunal (DRT) which has been specifically indicated as AA. However, the same is subject to section 60 of the Code. Thus, it will be relevant to state that these provisions of Part III i.e., section 79 and 179 and Rule 3 as referred above, themselves, provide the mandate in section 60 to resolve insolvency in line with the general objective / the scheme behind insolvency and bankruptcy of the Personal Guarantors. There are therefore two scenarios in the case of individuals i.e., individual per se and individual, PG to CD.

27. Now, we proceed to discuss section 60 of the Code, which is an overriding provision over section 179 as well as section 79:

Section 60. Adjudicating Authority for corporate persons. –

(1) The Adjudicating Authority, in relation to insolvency resolution and liquidation for corporate persons including corporate debtors and personal guarantors thereof shall be the National Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located.

(2) Without prejudice to sub-section (1) and notwithstanding anything to the contrary contained in this Code, where a corporate insolvency resolution process or liquidation proceeding of a corporate debtor is pending before a National Company Law Tribunal, an application relating to the insolvency resolution or liquidation or bankruptcy of a corporate guarantor or personal guarantor, as the case may be, of such corporate debtor shall be filed before such National Company Law Tribunal.

3) An insolvency resolution process or liquidation or bankruptcy proceeding of a corporate guarantor or personal guarantor, as the case may be, of the corporate debtor pending in any court or tribunal shall stand transferred to the Adjudicating Authority dealing with insolvency resolution process or liquidation proceeding of such corporate debtor.
(4) The National Company Law Tribunal shall be vested with all the powers of the Debt Recovery Tribunal as contemplated under Part III of this Code for the purpose of subsection (2).
(5)…
(6)…

(Highlighted)

28. Section 60, sub-section (1) is an all-encompassing provision for invoking insolvency and liquidation proceedings in respect of corporate debtors and personal guarantors thereof. This sub-section categorically declares that the AA for CD as well PG to CD is NCLT having territorial jurisdiction over the registered office of the Corporate Person. A plain and simple language has been used, which in our view does not invite any other way of interpretation as is sought to be made by respondents.

29. Understanding section 60(1) by illustration, there is an individual, named Mr. A, who has given guarantee for the repayment of loan by a Company, named XYZ Ltd, a Corporate Person – CD, in favor of PQR Bank. Now, since the liability of the Guarantor, A is co-extensive with that of the CD, XYZ Ltd., as per section 128 of the Indian Contract Act 1872, PQR Bank is entitled to initiate an action under the Code, either against CD alone or PG alone or both simultaneously or against any one prior to the other.

30. There has been catena of judgments, upholding the right of creditor to move against the guarantor prior to the principal debtor – CD. In view of this, if Creditor – Bank wants to file an application for insolvency resolution process on the PG, even if none has been initiated against the CD. In each such scenario, the AA for PG will be NCLT only, having territorial jurisdiction over the registered office of the CD.

Because of the co-extensive liability of the PG with CD, insolvency resolution process of the PG has not been made dependent upon CIRP of the CD. We are of the view, there is no legal impediment for the NCLT to act as an AA in terms of section 60(1) even if no CIRP is initiated or pending against the CD.

31. To support this view, we place reliance upon the case of Lalit Kumar Jain vs Union of India & Ors. Transferred Case (Civil) No. 245 of 2020, wherein the Hon'ble Supreme Court of India has held as under:

> *108. It is therefore, clear that the sanction of a resolution plan and finality imparted to it by Section 31 does not per se operate as a discharge of the guarantor's liability. As to the nature and extent of the liability, much would depend on the terms of the guarantee itself. However, this court has indicated, time and again, that an involuntary act of the principal debtor leading to loss of security, would not absolve a guarantor of its liability. In Maharashtra State Electricity Board (supra) the liability of the guarantor (in a case where liability of the principal debtor was discharged under the insolvency law or the company law), was considered. It was held that in view of the unequivocal guarantee, such liability of the guarantor continues and the creditor can realize the same from the guarantor in view of the language of Section 128 of the Contract Act as there is no discharge under Section 134 of that Act. This court observed as follows:*
>
> > *"7. Under the bank guarantee in question the Bank has undertaken to pay the Electricity Board any sum up to Rs 50,000 and in order to realise it all that the Electricity Board has to do is to make a demand. Within forty-eight hours of such demand the Bank has to pay the amount to the Electricity Board which is not under any obligation to prove any default on the part of the Company in liquidation before the amount demanded is paid. The Bank cannot raise the plea that it is liable only to the extent of any loss that may have been sustained by the Electricity Board owing to any default on the part of the supplier of goods i.e. the Company in liquidation. The liability is absolute and unconditional. The fact that the*

Company in liquidation i.e. the principal debtor has gone into liquidation also would not have any effect on the liability of the Bank i.e. the guarantor. Under Section 128 of the Indian Contract Act, the liability of the surety is coextensive with that of the principal debtor unless it is otherwise provided by the contract. A surety is no doubt discharged under Section 134 of the Indian Contract Act by any contract between the creditor and the principal debtor by which the principal debtor is released or by any act or omission of the creditor, the legal consequence of which is the discharge of the principal debtor. But a discharge which the principal debtor may secure by operation of law in bankruptcy (or in liquidation proceedings in the case of a company) does not absolve the surety of his liability (see Jagannath Ganeshram Agarwala v. Shivnarayan Bhagirath [AIR 1940 Bom 247; see also In re Fitzgeorge Ex parte Robson [(1905) 1 KB 462])."

109. This legal position was noticed and approved later in Industrial Finance Corpn. of India Ltd. v. Cannanore Spg. & Wvg. Mills Ltd.69An earlier decision of three judges, Punjab National Bank v. State of U.P.70 pertains to the issues regarding a guarantor and the principal debtor. The court observed as follows:

"The appellant had, after Respondent 4's management was taken over by U.P. State Textile Corporation Ltd. (Respondent 3) under the Industries (Development and Regulation) Act, advanced some money to the said Respondent 4. In respect of the advance so made, Respondents 1, 2 and 3 executed deeds of guarantee undertaking to pay the amount due to the bank as guarantors in the event of the principal borrower being unable to pay the same.

Subsequently, Respondent 3 which had taken over the management of Respondent 4 became sick and proceedings were initiated under the Sick Textile Undertakings (Nationalisation) Act, 1974 (for short 'the

Act'). The appellant filed suit for recovery against the guarantors and the principal debtor of the amount claimed by it.

The following preliminary issue was, on the pleadings of the parties, framed:
'Whether the claim of the plaintiff is not maintainable in view of the provisions of Act 57 of 1974 as alleged in para 25 of the written statement of Defendant 2?'
The trial court as well as the High Court, both came to the conclusion that in view of the provisions of Section 29 of the Act, the suit of the appellant was not maintainable. We have gone through the provisions of the said Act and in our opinion the decision of the courts below is not correct. Section 5 of the said Act provides for the owner to be liable for certain prior liabilities and Section 29 states that the said Act will have an overriding effect over all other enactments. This Act only deals with the liabilities of a company which is nationalized and there is no provision therein which in any way affects the liability of a guarantor who is bound by the deed of guarantee executed by it. The High Court has referred to a decision of this Court in Maharashtra SEB v. Official Liquidator, High Court, Ernakulam [(1982) 3 SCC 358 : AIR 1982 SC 1497] where the liability of the guarantor in a case where liability of the principal debtor was discharged under the insolvency law or the company law, was considered. It was held in this case that in view of the unequivocal guarantee such liability of the guarantor continues and the creditor can realize the same from the guarantor in view of the language of Section 128 of the Contract Act as there is no discharge under Section 134 of that Act.

In our opinion, the principle of the aforesaid decision of this Court is equally applicable in the present case. The right of the appellant to recover money from Respondents 1, 2 and 3 who stood guarantors arises out of the terms of the deed of guarantee which are not in any way *superseded or brought to a naught merely because the appellant may not be able to recover money from the principal borrower. It may here be added that even as a result of the Nationalisation Act the liability of the principal borrower does not come to an end. It is only the mode of recovery which is referred to in the said Act."*

111. In view of the above discussion, it is held that approval of a resolution plan does not ipso facto discharge a personal guarantor (of a corporate debtor) of her or his liabilities under the contract of guarantee. As held by this court, the release or discharge of a principal borrower from the debt owed by it to its creditor, by an involuntary process, i.e. by operation of law, or due to liquidation or insolvency proceeding, does not absolve the surety/guarantor of his or her liability, which arises out of an independent contract.

(Emphasis Supplied)

32. Further, much reliance has been placed upon subsequent sub-section (2) of section 60 by the Ld. Counsel for the PG to plea that the NCLT would be the AA for PG only if there is parallel subsisting CIRP for the CD before the NCLT. We are not convinced with this plea, in view of the analysis in the preceding paragraphs. Further, sub-section (2) is without prejudice to sub-section (1) meaning that it does not in any manner effects the scope and ambit of sub-section (1), which has been discussed in detail above. At best sub-section (2) amplifies sub-section (1). It provides for a case, where CIRP or liquidation of the CD has been initiated in an NCLT having territorial jurisdiction over registered office of the CD, then Application for insolvency resolution process of PG also has to be filed before the very same NCLT, where CIRP or liquidation of the CD is pending. This is to remove any ambiguity before different NCLT Benches. In our view, the case specifically covered under subsection (2) is also encompassed in sub-section (1) and even if subsection (2) was not specifically enacted.

33. Similarly, sub-section (3), which requires insolvency, liquidation or bankruptcy for the Corporate Guarantor or Personal Guarantor pending in any court or tribunal, to be transferred to the AA, dealing with CIRP or liquidation of the principal -CD. This in our view is also clarificatory in nature and covers those cases, where on account of laws *applicable prior to enforcement of IBC provisions for personal guarantors, the insolvency or bankruptcy could be initiated in other courts or tribunals. Thus, this provision in our view requires all those matters pending before other courts or tribunals, to be transferred to NCLT, being AA dealing with the CIRP or liquidator of the CD. In any scenario, this provision cannot be relied to support the submission that the legislature intended the NCLT to act as an AA for the PG, only if CIRP or liquidation for the CD is pending in the NCLT, because this provision also treats a case for Corporate Guarantor, whose insolvency or bankruptcy also, if pending in other court or tribunal, is required to be transferred to the AA of CD. Hence, in our view, none of the later provision of section 60 as discussed, affect the operation and effect of sub-section (1) of section 60.*

34. Now, so far as sub-section (4) is concerned, as to why NCLT has been vested with the powers of DRT, is because the provisions and procedure laid under Part III, which will apply to the insolvency and bankruptcy of PGs being individual, although AA for them is the NCLT as that of Corporate Persons. This is procedural requirement for AA. Hence, nothing turns on this plea.

35. In addition to the above analysis, we would like to refer to a few judgments which have been placed before us for by the parties.
36. The Hon'ble NCLAT in the case of State Bank of India, Stressed Asset Management Branch vs Mahendra Kumar Jajodia, Company Appeal (AT) Insolvency No. 60 of 2022, decided on 27.01.2022, has held as under:

> *7. Sub-Section 1 of Section 60 provides that Adjudicating Authority for the corporate persons including corporate debtors and personal guarantors shall be the NCLT. The Sub-Section 2 of Section 60 requires that where a CIRP or Liquidation Process of the Corporate Debtor is pending before 'a' National Company Law Tribunal the application relating to CIRP of the Corporate Guarantor or Personal Guarantor as the case may be of such Corporate Debtor shall be filed before 'such' National Company Law Tribunal. The purpose and object of the sub-section 2 of Section 60 of the Code is that when proceedings are pending in 'a' National Company Law Tribunal, any proceeding against Corporate Guarantor should also be filed before 'such' National*

Company Law Tribunal. The idea is that both proceedings be entertained by one and the same NCLT. The sub-section 2 of Section 60 does not in any way prohibit filing of proceedings under Section 95 of the Code even if no proceeding are pending before NCLT.

8. The use of words 'a' and 'such' before National Company Law Tribunal clearly indicates that Section 60(2) was applicable only when a CIRP or Liquidation Proceeding of a Corporate Debtor is pending before NCLT. The object is that when a CIRP or Liquidation Proceeding of a Corporate Debtor is pending before 'a' NCLT the application relating to Insolvency Process of a Corporate Guarantor or Personal Guarantor should be filed before the same NCLT. This was to avoid two different NCLT to take up CIRP of Corporate Guarantor. Section 60(2) is applicable only when CIRP or Liquidation Proceeding of a Corporate Debtor is pending, when CIRP or Liquidation Proceeding are not pending with regard to the Corporate Debtor there is no applicability of Section 60(2).

9. Section 60(2) begins with expression 'Without prejudice to sub-section (1)' thus provision of Section 60(2) are without prejudice to Section 60(1) and are supplemental to sub-section (1) of Section 60.

10. Sub-Section 1 of Section 60 provides that Adjudicating Authority in relation to Insolvency or Liquidation for Corporate Debtor including Corporate Guarantor or Personal Guarantor shall be the NCLT having territorial jurisdiction over the place where the Registered Office of the Corporate Person is located. The substantive provision for an Adjudicating Authority is Section 60, sub-Section (1), when a particular case is not covered under Section 60(2) the Application as referred to in sub-section (1) of Section 60 can be very well filed in the NCLT having territorial jurisdiction over the place where the Registered Office of corporate Person is located.

11. The Adjudicating Authority erred in holding that since no CIRP or Liquidation Proceeding of the Corporate Debtor are pending the application under Section 95(1) filed by the

> *Appellant is not maintainable. The Application having been filed under Section 95(1) and the Adjudicating Authority for application under Section 95(1) as referred in Section 60(1) being the NCLT, the Application filed by the Appellant was fully maintainable and could not have been rejected only on the ground that no CIRP or Liquidation Proceeding of the Corporate Debtor are pending before the NCLT. In result, we set aside the order dated 05th October, 2021 passed by the Adjudicating Authority. The Application filed by the Appellant under Section 95(1) of the Code is revived before the NCLT which may be proceeded in accordance with the law.*

37. Further, Hon'ble NCLAT, Chennai Bench in the matter of Mahendra Kumar Agarwal vs PTC India Financial Services Ltd., Company Appeal (AT)(CH)(Ins.) No. 8 of 2023, decided on 01.08.2023, has after detailed discussed on the issue raised in the present matter also, categorically held as under:

> *79. Be that as it may, in view of the detailed foregoing qualitative discussions, this `Tribunal', keeping in mind the respective contentions advanced on either side, and considering the facts and circumstances of the instant case, in a conspectus manner, comes to a resultant conclusion that the `Adjudicating Authority' / `Tribunal', has `jurisdiction', to `entertain'/`initiate', the `Insolvency Proceedings' of the `Personal Guarantors', even when `no Corporate Insolvency Resolution Process' proceedings, is `pending', against the `Corporate Debtor', and in any event, the `Corporate Insolvency Resolution Process' proceedings, is pending, and continued to be pending, against the `Corporate Debtor'.*

These decisions squarely cover the issue and are binding on this AA. All other decisions relied upon by PG have no bearing to the facts of the present case.

38. In view of the above analysis, we are of the view that it is the NCLT having territorial jurisdiction over registered office of the Corporate Person is the forum, before which Application for insolvency resolution or bankruptcy of the Personal Guarantor shall be filed irrespective of the fact that whether CIRP or liquidation of the of the CD is initiated or *pending or concluded or not before such NCLT having territorial jurisdiction.*

32. Ld. Counsel for the Petitioner has referred to Section 20 of the CPC to submit that every suit shall be instituted in a Court where the local limits of whose jurisdiction the Defendant or each of the Defendants at the time of commencement of the suit actually and voluntarily resides or carries on business, or personally works for gain or any of the Defendants where there are more than one, at the time of commencement of the suit, actually and voluntarily resides, or carries on business or personally works for gain or where the cause of action wholly or in part arises. He submits that the Respondent in the present case is Indian resident and he resides within the territory of this Tribunal, the guarantee agreement was also executed in India and as per deed of guarantee, the rights and obligations of the Guarantor are to be construed in accordance with and be governed by the laws of India, so the present petition instituted against the Personal Guarantor before this Tribunal is maintainable.

33. We are afraid that this contention has merits. The Companies Act and IBC are the special acts enacted for dealing with the matters concerning the Companies and the insolvency. They have the overriding effect by virtue of Section 238 of IBC. Section 60(1) provides

that the Adjudicating Authority in relation to insolvency resolution and liquidation for corporate persons including Corporate Debtors and Personal Guarantors thereof shall be NCLT having territorial jurisdiction over the place where the registered office of a Corporate Debtor is located. The jurisdiction of NCLT as per the provisions of Section has to be conferred by virtue of the place where the registered office of a corporate person or a Corporate Debtor is located and not by virtue of the place where the Respondent / Personal Guarantor resides or works for gain or where the cause of action accrues. When there is a specific provision under the Code, the same has to be resorted to. In the present case, the Corporate Debtors / Entities registered offices are located in Singapore / Norway and not within the jurisdiction of this Tribunal.

34. Admittedly, in the present case, the proceedings against the Principal Borrowers have not been initiated but in view of the observations /findings in the preceding paras, even in the absence of proceedings against the Principal Borrowers, insolvency proceedings can be initiated against the Personal Guarantor but with a rider that the registered office of the Principal Borrower should be within the territorial jurisdiction of the Tribunal where the proceedings are initiated. The Corporate Person as referred in Section 60 also means a

Company as defined in 2(20) of the Companies Act, 2013 including a Corporate Debtor who owes a debt to any person. It is true that any Company incorporated outside India does not cease to possess a character of a Company merely because it is incorporated outside India but as held by Hon'ble Supreme Court in the case referred supra, the same should have nexus with India which in the present case is missing. The loans were essentially given to the Companies incorporated and registered outside India having no nexus or impact on India. The loans were given to the foreign entities which were allegedly used by the foreign entities for the projects outside India. Therefore Section 3(7) has to be interpreted in a manner under any law in force in India and not to the entity incorporated outside India. In *Susanta Mukherjee supra*, it was held that the words 'any law for the time being in force ' as occurred in Section 3(38) of the General Clauses Act, 1897, must be construed as any law for the time being in force in India. Obviously, it has no reference to any law of other countries of the world.

35. It is true that Section 95 does not stipulate that insolvency resolution process against the Personal Guarantor is not available for a Corporate Debtor incorporated outside India or it does not possess a registered office in India but Section 60(1) specifically provides that the

insolvency against the Personal Guarantor shall be initiated at a place where the registered office of the Corporate Debtor is situated. The illustration given by the Counsel does not come to the aid of the Petitioner, even if, the person is guarantor to three different corporate entities situated in three different jurisdiction. In that eventuality, the insolvency can be filed in any of the three places but these three places must be where the registered office of the different Corporate Entities is situated. There is no uncertainty as regards jurisdiction as contended by Ld. Counsel for the Petitioner upon contingent event. As regards jurisdiction under Section 179, this is subject to the provisions of Section 60. Since by notification issued in 2019, the jurisdiction for initiating insolvency proceedings against the Personal Guarantor has been conferred on the NCLT so the provisions of Section 60(1) shall be applicable by virtue of which the NCLT which has to exercise jurisdiction in relation to matter of Personal Guarantor shall be at a place where the office of the Corporate Debtor is situated. For this reason, the place of residence of the Respondent would not confer any territorial jurisdiction to the Tribunal to adjudicate this petition. Hon'ble NCLAT in the case of *Ankit Miglani Vs. State Bank of India, Company Appeal (AT) (Insolvency) No. 58 of 2023,* has held that the

Section 95 of IBC has to be filed only before the NCLT under whose jurisdiction the registered office of the Corporate Debtor is situated.

Conclusion

36. **To sum up**, in the present case, none of the Principal Borrowers has its registered office in India. Each of them is an entity incorporated and having its registered / principal office outside the territory of India and as such this Tribunal has no jurisdiction to entertain the proceedings referable to the above entities by virtue of Section 60(1) of IBC which anchors the territorial jurisdiction of the Adjudicating Authority in respect of the proceeding against the Personal Guarantor to the place where the registered office of the Corporate Debtor is located. This Code being domestic legislation of limited territorial reach, confers no extra territorial jurisdiction upon the Adjudicating Authority to adjudicate obligations arising from entities situated beyond the soverign and statutory framework of India. The Foreign Company though recognized for a certain limited Regulatory purposes under Chapter XXII of the Companies Act, 2013 do not become a Company within the meaning of Section 2(20) of the Companies Act, 2013 and cannot be brought within the fold of Section 3(7) of IBC

without any express inclusion of a Foreign Company as a Corporate Debtor.

37. In the light of what has been stated above, we **dismiss** the petition CP(IB)/177(CHE)/2026 with no orders as to costs.

38. File be consigned to records.

Sd/-	**Sd/-**
VENKATARAMAN SUBRAMANIAM	**SANJIV JAIN**
MEMBER (TECHNICAL)	MEMBER (JUDICIAL)