IN THE NATIONAL COMPANY LAW TRIBUNAL,

NEW DELHI BENCH, COURT-III

IA-1168/2025

IN

CP (IB)-182/(ND)/2022

IN THE MATTER OF CP (IB)-182/(ND)/2022:

(Under Section 94(1) of the Insolvency & Bankruptcy Code, 2016)

SHIV KUMAR BAGOLIA ... APPLICANT / PERSONAL GUARANTOR

AND IN THE MATTER OF IA-1168/2025:

(Order under section 126 of the Insolvency & Bankruptcy Code, 2016)

SHIV KUMAR BAGOLIA

Personal Guarantor - Sandwoods Infratech Projects Private Limited

Resident of:
House No. 414, First Floor,
Sector 37A, Chandigarh-160036

... **APPLICANT / PERSONAL GUARANTOR**

Order pronounced on 14.05.2026

CORAM:

SHRI BACHU VENKAT BALARAM DAS,
HON'BLE MEMBER (JUDICIAL)

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

APPEARANCES:

FOR APPLICANT	:	Mr. Mrinal H. Vardhan, Ms. Rituparna Patra, Mr. Pradhumn Rao, Mr. Avtaar Singh Deol, Ms. Anannya Jain, Ms. Akankrita Sinha Advs.
FOR SBI & PNB	:	Ms. Ekta Choudhary, Mr. Ankur Anand, Ms. Priya Rathi, Ms. Rushali Sikand, Ms. Vedanshi Verma, Mr. Ayush Kumar, Mr. Anand Krishna Advs.

ORDER

1. This is an application filed by Sh. Shiv Kumar Bagolia, the Personal Guarantor for *Sandwoods Infratech Projects Private Limited*, under Section 122 of the Insolvency and Bankruptcy Code, 2016 ("Code"), read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019, seeking to initiate Bankruptcy Proceedings against himself. The prayers made in the application read as follows:

> *" a. To pass any order initiating Bankruptcy proceedings against the Personal Guarantor herein under the provisions of IBC.*
>
> *b. To pass any such other order which the Tribunal thinks fit in the facts of this case."*

BRIEF FACTS OF THE CASE AS STATED IN THE APPLICATION:

2. Sandwoods Infratech Projects Private Limited was incorporated on 29.09.2003, having CIN No. U45201DL2003PTC122426 with the Registrar of Companies, Delhi. The Personal Guarantor, Sh. Shiv Kumar Bagolia has its been Director since 29.09.2003.

3. Punjab National Bank ("PNB") vide sanction letter dated 18.01.2016 sanctioned a term loan of Rs. 20 Crores to Sandwoods Infratech Private Limited ("Corporate Debtor") for completion of housing project Opulencia at Mohali, which was secured by way of 1st Pari-passu charge with State Bank of India ("SBI") by way of creation of EM of IP situated at Sector 110 Mohali measuring 6.45 acres and Personal Guarantee of Managing Directors Sh. Shiv Kumar Bagolia and Smt. Uma Bagolia, along with the Corporate Guarantee of Revolution Infocom Private Limited.

4. Further, SBI vide sanction letter dated 21.05.2016 sanctioned a term loan of Rs. 15 Crores to Sandwoods Infratech Private Limited ("Corporate Debtor ") which was secured by way of pari passu charge over the project land by way of EM and Personal Guarantee of Managing Directors, Sh. Shiv Kumar Bagolia and Smt. Uma Bagolia, along with the Corporate

Guarantee of Revolution Infocom Private Limited. The last quarterly instalment of the said loan was due in March, 2020. The last date for repayment of the aforesaid loan was in March 2020. The Corporate Debtor failed to meet its commitments of repayment of its loan.

5. Dena Bank (now known as Bank of Baroda) vide sanction letter dated 16.11.2017 sanctioned a term loan of Rs. 3 Crores and CCH Limit of Rs. 30 Lakhs to Sandwoods Leisures LLP against collateral security of the following:

   - Land admeasuring 73.864 Sq. Mtrs. covered through third floor construction having covered area of 281 Sq. Mtrs located in Campton Estate, Shimla;
   - Flat No. 38 (1st Floor) admeasuring 1286 Sq. Mtrs in Campton Estate, Shimla;
   - Flat No. D-1, Ground Floor, Super Area 615 Sq. Ft. at Campton Estate Shimla;
   - Flat No. D-2, Ground Floor, Super Area 615 Sq. Ft. at Campton Estate Shimla;
   - Flat No. I-79, Ground Floor, Super Area 615 Sq. Ft. at Campton Estate Shimla; and - Personal Guarantee of Partners Sh. S.K. Bagolia and Smt. Uma Bagolia.

6. Subsequently, the Operational Creditor of the Corporate Debtor, Balaji Durobuild Private Limited, filed an Application under Section 9 of IBC before this Adjudicating Authority, bearing Company Petition (IB) No. 292/2021, titled as *"Balaji Durobuild Private Limited vs. Sandwoods Infratech Projects Private Limited"* seeking to initiate Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor, which was initiated on 25.10.2021. Further, PNB and SBI submitted their claim in Form C, which was accepted by the Resolution Professional of the Corporate Debtor.

7. Resolution plan for Sandwoods Infratech Private Limited was approved by this Adjudicating Authority vide its order dated 10.08.2023 and the SRA has paid Rs. 94,52,085/- to PNB and Rs. 55,47,915/- to SBI as proposed in Resolution Plan.

8. PNB, the lead bank of the consortium, vide its letter dated 18.01.2022 invoked the guarantee given by the Personal Guarantor to secure the loan of Corporate Debtor and demanded Rs. 25,76,81,105/- with respect to Term Loan I & II and GECL. The Personal Guarantor was unable to pay the abovementioned amount due to paucity of funds.

9. Mr. Shiv Kumar Bagolia, the Applicant herein, filed an application u/s 94 of the IBC for initiating Personal Insolvency process against himself. This Adjudicating Authority vide order dated 15.12.2023 appointed Mr. Parminder Singh Bhullar as the Resolution Professional and directed him to file a report under Section 99 of the Code, which has been filed by him recommending the admission of the application under Section 94 of the Code.

10. This Adjudicating Authority vide order dated 05.03.2024 admitted the Section 94 Application against Mr. Shiv Kumar Bagolia, the Personal Guarantor herein, thereby initiating the PIRP under Section 100 of the Code, and further directed the Resolution Professional to proceed in accordance with the Code.

11. Pursuant thereto, the Resolution Professional filed a report being IA No. 5028/2024 under Sections 112–113 of the Code before the Adjudicating Authority, inter alia, placing on record the rejection of the Repayment Plan by the creditors with 92.28% votes, in the meeting held on 16.08.2024. The said report was taken on record on 16.10.2024 by this Adjudicating Authority.

12. Thereafter, Sh. Shiv Kumar Bagolia, the Personal Guarantor for Sandwoods Infratech Projects Private Limited, has filed this present application, under Section 122 of the Code read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019 seeking to initiate Bankruptcy proceedings against himself.

ORDER:

13. In view of the foregoing, this Adjudicating Authority is inclined to admit the application and pass an order of bankruptcy under Section 126 of the Insolvency and Bankruptcy Code, 2016. Accordingly, it is hereby declared that ***Sh. Shiv Kumar Bagolia***, Personal Guarantor to the Corporate Debtor, ***stands bankrupt***.

14. The Applicant has proposed the name of Mr. Gurdev Bassi as the Bankruptcy Trustee. Further, the AFA filed with the present application was valid till 31.12.2025. Accordingly, he is directed to submit the valid AFA before this Adjudicating Authority.

15. In terms of the provision of Section 125 of the Code, ***we appoint Mr. Gurdev Bassi as the bankruptcy trustee***. The details of the Insolvency Professional are as follows:

Name	:	Mr. Gurdev Bassi
Registration No.	:	IBBI/IPA-001/IP-P01633/2019-2020/12504
Address	:	House No. 735, Ansal API Golf Links-1, Landran Kharar Road, Sector 114, Mohali District: SAS Nagar I (Mohali), Punjab, 140307 Business: SCO-112/2, Circular Road, Sector-45C; Chandigarh, 160047.
Email	:	Ipgurdevbassi@gmail.com
Contact number	:	+91 9357052828

16. The written consent of the Bankruptcy Trustee in Form A as per Regulation 3(3) of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019 has been placed on record.

17. The fee of the Bankruptcy Trustee is to be determined as provided under Regulation 4 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019.

18. This order of Bankruptcy shall continue to have effect till the Personal Guarantor is discharged under Section 138 of the Code.

19. In terms of Section 129 of the Code, the bankrupt is further directed to submit to the bankruptcy trustee, within one week from the date of this order, complete details specifically disclosing his assets and liabilities as on the date of this order, as well as on 31.03.2025 and 31.03.2024, duly supported by copies of the corresponding Income Tax Returns for the said two years. Further, in case any assets have been sold during the last two years, complete details thereof, including the nature of the asset, date of sale, person to whom the sale is made, consideration received, and mode of transfer, shall also be disclosed. Wherever it may be required, the bankrupt shall comply with the provisions of Section 129, which are reproduced below:

"Section 129: Statement of financial position.

(1) Where a bankruptcy order is passed on the application for bankruptcy by a creditor under section 123, the bankrupt shall submit his statement of financial position to the bankruptcy trustee within seven days from the bankruptcy commencement date.
(2) The statement of financial position shall be submitted in the such form and manner as may be prescribed.
(3) Where the bankrupt is a firm, its partners on the date of the order shall submit a joint statement of financial position of the firm, and each partner of the firm shall submit a statement of his financial position.
(4) The bankruptcy trustee may require the bankrupt or any other person to submit in writing further information explaining or modifying any matter contained in the statement of financial position."

20. The estate of the bankrupt, excluding the assets mentioned in Section 155(2) of the Code r/w Rule 5 of Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtor) Rules, 2019, shall vest with the bankrupt trustee. In pursuance of this order, the Bankruptcy trustee is directed to forthwith take into his custody all the assets, properties, and actionable claims of the Bankrupt and take necessary steps to ensure

the preservation, protection, security and maintenance of those properties as provided under sections 128 and 154 of the code.

21. The Bankruptcy trustee is directed to adhere to Sections 128, 129 (4), 132, 133, 134, 136 and 137 of the code and discharge his powers and duties as specified and shall adhere to the Rules and Regulations issued by IBBI in this regard from time to time. The Bankruptcy trustee is directed to send notices to the creditors as contemplated in Section 130(1)(a) within ten days from the date of this order and also issue a public notice on our behalf inviting claims from creditors as provided under Section 130(1)(b) of the Code.

22. The Public Notice inviting claims from creditors, as contemplated under Section 130(2) of the Code, shall be issued in English daily and in one vernacular regional language newspaper with wide circulation where the bankrupt resides.

23. On the filing of this Application, an interim moratorium had commenced as per the provision of Section 124 of the Code. The interim moratorium as envisaged under Section 124 of the Code shall cease to have effect, and a fresh moratorium as per the provision of Section 128(1)(c) shall commence with respect to the debt of the Respondent.

24. The Bankrupt Trustee shall conduct the administration and distribution of the estate of the bankrupt under Chapter V as provided in Section 136 of the Code.

25. The Bankrupt shall, from the date of the order, be subject to such disqualifications and restrictions as prescribed under sections 140 and 141 of the Code.

26. The Bankruptcy Trustee is directed to proceed with due diligence in the bankruptcy process.

27. The Bankruptcy Trustee shall exercise all the powers as enumerated under the Code, read with the Rules and Regulations made thereunder.

28. The applicant is directed to make an advance payment to the tune of Rs. 2,00,000/- (Rupees Two Lakh Only) to the Bankruptcy trustee to

initiate the process, which shall be adjusted towards the fees and expenses payable to the Bankruptcy Trustee.

29. The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a preliminary report within ninety days from the date of the Bankruptcy order after serving a copy of the report on the bankrupt as provided in Regulation 8 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulations, 2019.

30. The Bankruptcy Trustee shall, in addition to the above, submit to this Authority periodical progress reports within fifteen days after the end of every quarter and should send a copy of the report to the bankrupt as provided under Regulation 10 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulation, 2019.

31. Accordingly, ***IA-1168/2025 is allowed*** and ***stands disposed of*** in the above terms.

32. The Registry is directed to provide a copy of this Bankruptcy order and a copy of the Bankruptcy petition to the bankrupt, the creditors, and the bankruptcy trustee within seven (7) days as provided under Section 126(2) of the Code.

33. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsels for information and for taking necessary steps.

34. A certified copy of the order shall be issued upon compliance with the requisite formalities.

Sd/-	**Sd/-**
RAVINDRA CHATURVEDI **MEMBER (TECHNICAL)**	**BACHU VENKAT BALARAM DAS** **MEMBER (JUDICIAL)**