



IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH (COURT- I) CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING  
HELD ON **30.08.2024** THROUGH VIDEO CONFERENCING

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

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**IN THE MATTER OF** : Kalpagam Rangarao

**MAIN PETITION NUMBER** : CP(IB)/21(CHE)2024

**(IA/MA) APPLICATION NUMBERS**

IA(IBC)/637(CHE)2024

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**ORDER**

Present: Ld. Counsel Shri. A.S. Sathish Kumar for the Petitioner.

Ld. Counsel Ms. Vidya for the IRP.

Vide separate order pronounced in Open Court, the petition under Section 94 of IBC is **admitted** and Shri. N. Veerapandian is appointed as the IRP.

IA(IBC)/637(CHE)2024 is **disposed of**.

**Sd/-**

**(VENKATARAMAN SUBRAMANIAM)**  
MEMBER (TECHNICAL)

MG

**Sd/-**

**(SANJIV JAIN)**  
MEMBER (JUDICIAL)



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

**CP(IB)/21(CHE)/2024**

*(Under Section 100 of the Insolvency and Bankruptcy Code, 2016)*

**Kalpagam Rangarao**

44A, Nehruji Street, Durga Nagar,  
Tambaram, Kancheepuram  
Tamil Nadu – 600 047

*.....Applicant/Guarantor*

**Versus**

**ICICI Bank Limited**

No.24, Arihanth Insight,  
2<sup>nd</sup> Cross Street,  
Ambattur Industrial Estate,  
Ambattur, Chennai – 600

*....Respondent*

***Order pronounced on 30<sup>th</sup> August 2024***

***Along with***

***IA(IBC)/637/CHE/2024 in CP(IB)/21/CHE/2024***

*(Filed under Section 99(1) of the Insolvency and Bankruptcy Code, 2016 read with  
Rule 11 of NCLT Rules, 2016)*

**N.Veerapandian,**

Insolvency Professional  
IBBI/IPA-001/IP-P-02148/2020-2021/13301  
No.36, Second Street, Gopalapuram, Thiru Vi ka Nagar,  
Jawahar Nagar Post, Chennai – 600 082

*...Applicant*

**Versus**

**Kalpagam Rangarao**

44A, Nehruji Street, Durga Nagar,  
Tambaram, Kancheepuram  
Tamil Nadu – 600 047

*....Respondent*



CORAM:

**SANJIV JAIN, MEMBER (JUDICIAL)**  
**VENKATARAMAN SUBRAMANIAN, MEMBER (TECHNICAL)**

*For Petitioner* : *A.S.Sathish Kumar, PCS*  
*For Respondent* : *None*  
*For IRP* : *Vidya, Advocate*

**COMMON ORDER**

**(Hearing through hybrid mode)**

The present petition has been filed u/s. 94(1) the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016") r/w. Rule 6(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019. The Prayer is to initiate the Insolvency Resolution Process against Mr.Kalpagam Rangarao ("Personal Guarantor") of ICICI Bank Limited in respect of an Amount of Rs.3,99,72,967/- (Rupees Three Crores Ninety-Nine Lakh Seventy-Two Thousand Nine Hundred and Sixty-Seven Only) together with interest. The Date of Default, as specified in Part-III of the petition, is 03.02.2022. This Petition has been filed before this Tribunal on 30.01.2024.



2. Part – I of the application sets out the details of the Applicant / Personal Guarantor namely Kalpagam Rangarao residing at No.44A, Nehruji Street, Durga Nagar, Tambaram, Kancheepuram, Tamil Nadu – 600 047. The Applicant had stood as a personal guarantor in respect of the loans availed by DCDR Infra Private Limited. Part-III of the application sets out the details of the Creditor. The address of the Respondent is mentioned as No.24, Arihanth Insight, 2<sup>nd</sup> Cross Street, Ambattur Industrial Estate, Ambattur, Chennai – 600 058. In part – III of the application, the applicant has given the debt amount of Rs.3,99,72,967/-(Rupees Three Crores Ninety-Nine Lakh Seventy-Two Thousand Nine Hundred and Sixty-Seven Only) together with interest. Part – IV of the Application sets out the details of the Resolution Professional.

**FACTS OF THE CASE:**

3. It is stated that the Corporate Debtor had approached and availed two credit facilities from the Financial Creditor as below:



Sr. No.	Loan Agreement	Facility Name	Amount Disbursed	Principal Outstanding	Outstanding (Incl. Interest + Penal Interest + Overdue & Charges)	NPA Date
1.	189805500429	Overdraft	2,98,00,000	2,80,28,819	3,41,00,898	03.02.2022
2.	189855000002	ECLGS	56,58,260	49,92,638	58,72,069	03.02.2022
TOTAL					3,99,72,967	

4. It is stated that the said facilities were secured against equitable mortgage by submission of title deeds of certain properties including that of Ms. Kalpagam Rangarao (Personal Guarantor).

5. It is stated that following properties were mortgaged:

PROPERTY - 1		
Item No. 1	Flat No. F2, First Floor, with a plinth area of 882 sq. ft. inclusive of common area, along with 665 sq. ft. out of 2152.5 sq.ft., in No. 44A/F1, Nehruji Street, Durga Nagar, Thiruneermalai, Chennai, in S. No. 371/2, Thiruneermalai, Village, Tambaram Taluk, Kancheepuram District, Tamil Nadu.	Property belongs to <b>Indhu S.</b>
Item No. 2	Flat No. G1, Ground Floor, with a plinth area of 600 sq. ft. inclusive of common area, along with 453 sq.ft. out of 2152.5 sq.ft., in No. 44A/G1, Nehruji Street, Durga Nagar, Thiruneermalai, Chennai, in S.No. 371/2, Thiruneermalai, Village, Tambaram Taluk,	Property belongs to <b><u>Ms. Kalpagam Rangarao,</u></b> Personal Guarantor in the



	Kancheepuram District, Tamil Nadu.	instant matter.
Item No. 3	Flat No. F1, First Floor, with a plinth area of 723 sq.ft. inclusive of common area, along with 545 sq.ft. out of 2152.5 sq.ft., in No. 44A/F1, Nehruji Street, Durga Nagar, Thiruneermalai, Chennai, in S. No.371/2, Thiruneermalai, Village, Tambaram Taluk, Kancheepuram District, Tamil Nadu.	Property belongs to <b><u>Ms. Kalpagam Rangarao,</u></b> Personal Guarantor in the instant matter.
<b>PROPERTY - 2</b>		
	Apartment 1, 4, 5 together with 1650 Sq.ft. of undivided share of land out of the total extent of 3300 Sq.ft. of land comprised in Survey Nos.283 part & 284 part of Virugambakkam Village, situated at Plot No.360, 32nd street, 6th Sector, K.K.Nagar, Chennai - 78. TS No 20, BLOCK No-59	Property belongs to B. Pasupathi & P. Uma

6. It is stated that only items no. 2 & 3 described above concern the properties of the Personal Guarantor herein, Ms. Kalpagam Rangarao.

7. It is stated that the said credit facilities were guaranteed by the Personal Guarantors of the Corporate Debtor including Ms. Kalpagam Rangarao. However, no such guarantee deed or agreement was provided by the said Guarantor or in the Application.

8. It is stated that due to non-payment of the outstanding amount, the account of the Corporate Debtor was declared as Non-Performing Asset ('NPA') on 03.02.2022.



9. It is stated that in the Demand Notice dated 01.09.2023, the Financial Creditor had demanded total outstanding due of Rs.3,99,72,967/- (Rupees Three Crores Ninety-Nine Lakhs Seventy-Two Thousand Nine Hundred and Sixty-Seven Only) inclusive of the principal amount along with the interest amount charged as per the normal interest rate, penal interest rate, as applicable, Overdue & Other Charges.

10. It is stated that as per the data available on the website of Ministry of Corporate Affairs, a charge was created by ICICI Bank with SRN no. bearing 'R06813158' and Charge ID bearing no. '100215189' on 27.08.2018 as modified on 31.08.2019 against the Corporate Debtor (M/s. DCDR Infra Private Limited). Consequently, the Applicant/ Personal Guarantor has filed the Petition before this Tribunal under section 94(1) of the Insolvency and Bankruptcy Code, 2016.

11. It is stated that the default as per the application filed under Section 94(1) of the Code, is Rs. 3,99,72,967/- (Rupees Three Crores Ninety-Nine Lakh Seventy-Two Thousand Nine Hundred and Sixty-Seven Only) which comprises outstanding Principal amount, interest



applicable on the amount as agreed in the loan agreement, penal interest, overdue & other charges as on 03.02.2022.

12. Despite service of the petition, none appeared on behalf of the Respondent/ ICICI Bank.

13. On presentation of the present application by the Personal Guarantor under section 94(1) of the IBC, 2016 for initiating Insolvency Resolution Process against the Personal Guarantor viz. Kalpagam Rangarao, this tribunal vide Order dated 19.02.2024 appointed Mr.N.Veerapandian as the Interim Resolution Professional ("IRP") and directed him to exercise all the powers as enumerated u/s. 99 of the Code, r/w rules made thereunder. In accordance with the said Order, the IRP filed his report in IA/637/CHE/2024 before this Tribunal.

14. The IRP in his Report, after due examination of the application, documents filed along with the application, in addition to the requirements as mandated under clauses (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10) of Section 99 of the IBC, 2016, has recommended for the





admission of the present application by the Personal Guarantor u/s. 94 of IBC, 2016.

15. This Tribunal dated 22.08.2024 has recorded that:

*Despite sufficient time and opportunity given, the Respondent has not filed any reply nor has any objections to the IRP report.*

**FINDINGS OF THIS TRIBUNAL:**

16. Heard the submissions made by the Learned Counsel for the applicant and perused the report of the IRP.

17. The IRP in his report has observed that the Applicant satisfies the requirement as set out in Section 94 of IBC, 2016. He has accordingly recommended for admission of the present application.

18. It is noted that u/s. 128 of the Indian Contract Act, 1872, when a default is committed, the Principal Borrower and Surety are jointly and severally liable to the Creditor and the Creditor has right to recover its dues from either of them or from both of them simultaneously. Section 128 of the Indian Contract Act, 1872 is reproduced hereunder:



*“The liability of the surety is co-extensive with that of the principal debtor, unless it is otherwise provided by the contract.”*

19. The applicant is the Personal Guarantor of the Corporate Debtor which availed the Loan. The Corporate Debtor / Guarantor failed to repay the Loan after the issuance of Demand Notice. The IRP has also recommended for initiation of Insolvency Resolution Process against the applicant.

20. In light of the afore-stated observations, the present Petition i.e. CP(IB)/21(CHE)/2024 is admitted. The Insolvency Resolution Process stands initiated against Mr.Kalpagam Rangarao viz. the applicant herein. We hereby direct as follows;

- I. Initiate Insolvency Resolution Process against the Respondent/Personal Guarantor. The 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. **N.Veerapandian**, Insolvency Resolution Professional 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 Chennai 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, business or trade on his behalf or in his name; or
- b. realise the assets of the debtor; or c. administers 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 subsection (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/ Personal Guarantor 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 subject 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 to the concerned parties within seven working days and upload the same on the website immediately after the pronouncement of order.



21. Accordingly the report of the RP filed in IA/IBC/637/CHE/2024 stands **disposed of**. CP/IB/21/CHE/2024 stands **admitted**.

**-Sd-**

**VENKATARAMAN SUBRAMANIAM**  
MEMBER (TECHNICAL)

**-Sd-**

**SANJIV JAIN**  
MEMBER (JUDICIAL)

*SriramAnanth.V*