

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI SPECIAL BENCH COURT II

Item No. 128

C.P. (IB)/956(MB)2026

CORAM

SHRI BANWARI LAL MEENA
HON'BLE MEMBER (TECHNICAL)

SHRI ASHISH KALIA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **06.10.2026**

NAME OF THE PARTIES: **State Bank of India Vs. Mr. Narayan Pundlik Shenvi Prabhu**

Appearance:

For Applicant : Adv. Arusha Bapat i/b India Law LLP

For Respondent : None

Section 123

ORDER

C.P. (IB)/956(MB)2026

From perusal of the order dated 24.09.2026 passed in CP (IB) 956/2026, it is noticed that certain typographical errors in para 10, which require correction by virtue of power conferred under Rule 154 of the NCLT, 2016. Accordingly, the order dated 24.09.2026 in the above-captioned Petition stands rectified and the corrected order is attached separately. The rest of the order shall remain unchanged.

Sd/-
BANWARI LAL MEENA
MEMBER (TECHNICAL)
Supriya

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI SPECIAL BENCH COURT II

Item No.2

C.P. (IB)/956(MB)2026

CORAM

SHRI BANWARI LAL MEENA
HON'BLE MEMBER (TECHNICAL)

SHRI ASHISH KALIA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **24.09.2026**

NAME OF THE PARTIES: **State Bank of India Vs. Mr. Narayan Pundlik Shenvi Prabhu**

Appearance:

For Applicant : Adv. Arusha Bapat i/b India Law LLP

For Respondent : None Present

IBC Under Section 123

ORDER

C.P. (IB)/956(MB)2026

1. The present Application has been filed by the Petitioner to initiate bankruptcy process under section 123 of the Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019 by State Bank of India ("Applicant/Financial) for declaration of bankruptcy of **Narayan Pundlik Shenvi Prabhu**.
2. It is submitted that the Corporate Debtor, namely Mis. Aditya Vidyut Appliance Limited, is engaged in the business of transformer Manufacturing, Transformer Remanufacturing and Transformer Contract Manufacturing. The Respondent herein is a Personal Guarantor of the Corporate Debtor in

respect of the various credit facilities availed by the Corporate Debtor from the Applicant.

3. It is submitted that in the event of default of payment against the credit facilities availed by the Corporate Debtor, the accounts of the Corporate Debtor were declared as Non-Performing Assets (NPA) on 16.10.2018 by the Petitioner. On account of the failure of the Corporate Debtor to comply with its obligations towards the cash credit facility and various other term loans availed by the Corporate Debtor, the Petitioner, through its counsel, issued a Legal Notice dated 30.07.2019 to the Corporate Debtor and the Respondent and called upon them to repay the outstanding amount. It is stated that owing to the failure of repayment, the Petitioner issued a Notice dated 10.06.2019 in Section 13(2) of the SARFAESI Act, 2002 calling upon the Corporate Debtor to discharge the outstanding liabilities. That despite this, the Respondent failed to satisfy the demand; as a result of which, the Petitioner herein issued a Demand Notice dated 09.07.2021.
4. The Petitioner had earlier initiated proceedings under Section 95 of the Insolvency and Bankruptcy Code by filing C.P. (IB) No. 47/2022 against the Respondent. Pursuant thereto, a Resolution Professional was appointed under Section 97 of the Code, and this Adjudicating Authority admitted the application under Section 100 on 13.11.2024, thereby commencing the Personal Insolvency Resolution Process (PIRP).
5. It is submitted that the Respondent submitted a Revised Repayment Plan dated 16.04.2025 containing a proposal to the Creditors for restructuring of her debts. The aforesaid Repayment Plan offered an aggregate settlement amount of INR 11.5 crores, to be paid within 405 days of approval. It is

further stated that the Third Joint Meeting of the Creditors was held on 15.04.2025, where the Repayment Plan of the Respondent was rejected by the creditors with a voting percentage of 80.27%. That following the rejection of the Repayment Plan, the Resolution Professional filed his report under Section 112 of the Code dated 30.05.2026 documenting the rejection of the Repayment Plan by the creditors and the circumstances leading to such rejection.

6. It is submitted that the Applicant, upon direction from this Hon'ble Tribunal, filed an Interlocutory Application being I.A.No.2444 of 2026 to place on record the report dated 30.05.2026 filed by the Resolution Professional under Section 112 of the Code. That this Hon'ble Tribunal, by Order dated 22.07.2026, allowed the Interlocutory Application I.A.No.2444 of 2026 and directed the Applicant to file an appropriate application for declaration of bankruptcy against the Respondent.
7. During the course of the PIRP, the Resolution Professional convened meetings of the Committee of Creditors and made efforts to facilitate submission of a repayment plan. However, despite sufficient opportunities, the Respondent failed to submit any repayment plan and expressed inability to repay the outstanding dues due to lack of financial resources.
8. Consequently, the Resolution Professional filed an application seeking closure of the PIRP, which was allowed by this Adjudicating Authority on 22.07.2026. It was held that non-submission of a repayment plan amounted to rejection under Section 114 of the Code, thereby entitling the creditors to initiate bankruptcy proceedings under Section 115(2). Accordingly, the present petition has been filed under Section 121 of the Code within the

prescribed limitation period seeking initiation of bankruptcy proceedings against the Respondent.

9. We have carefully perused the petition and we find it proper to admit this Petition and declare the personal guarantor herein, as Bankrupt.

10. In the result, **Mr. Narayan Pundlik Shenvi Prabhu** , B-2/4, Runwal Nagar CHS Ltd., Kolbad Road, Near Flower Valley, Kolbad, Thane (West) - 400 601. Personal Guarantor is hereby ordered to be bankrupt. The Petitioner has not proposed any name for appointment as the Bankruptcy Trustee. This Bench appoints **Mr. Hasti Mal Kachhara**, Insolvency Professional having registration no. **IBBI/IPA-002/IP-N00342/2017-2018/10992**, email id: - hastimal.kachhara@gmail.com, whose Authorisation for Assignment (AFA) is valid up to 31.12.2026, to act as the Bankruptcy Trustee. Hence, we hereby appoint **Mr. Hasti Mal Kachhara** as Bankruptcy trustee under Section 125 of the Code.

11. The Registry is directed to provide the copy of this Bankruptcy order and copy of the Bankruptcy petition to the creditors and bankruptcy trustee within a week as provided under Section 126 (2) of IBC, 2016.

12. The fee of Bankruptcy trustee to be determined as provided under Regulation 4 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulation, 2019.

13. The estate of the bankrupt, as provided under Section 155 of the Code read with Rule 5 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtors) Rules, 2019, shall:

- a) Vest in the Bankruptcy Trustee immediately, in terms of Sections 128 and 154 of the Code without any conveyance, assignment or transfer;
 - b) Be distributed among the creditors in accordance with the provisions of the Code;
 - c) Subject to Section 155(2), no creditor shall—
 - i. initiate any action against the property of the bankrupt in respect of any bankruptcy debt; or
 - ii. commence any suit or legal proceedings except with the leave of the Adjudicating Authority and on such terms as may be imposed.
14. The Bankruptcy Trustee shall administer the estate of the bankrupt in accordance with Chapter V of the Code and discharge his duties in compliance with the applicable provisions of the Code and the Regulations issued by the Insolvency and Bankruptcy Board of India (“IBBI”).
15. On the filing of this Application, an interim moratorium had commenced as per the provision of Section 154 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.
16. The Bankruptcy Trustee would be entitled to exercise the right and general power as provided in Section 151 and 152 of the Code. The Bankrupt, his banker or agent or any other person having possession of his property, books, paper, or other records which the Bankruptcy Trustee is required to take possessions for the purpose of the Bankruptcy process shall deliver the said property and documents to the Bankruptcy Trustee as per provisions of the Section 157 of the Code.

17. The Bankruptcy Trustee would also ensure the compliance of all the provisions contained in Chapters IV and V of the Code.
18. The bankrupt shall, from the date of this order, be subject to the disqualifications and restrictions specified under Sections 140 and 141 of the Code.
19. The Bankruptcy Trustee shall discharge his powers and duties meticulously as specified in the Code and shall adhere to the applicable provisions of the Code and the Rules and Regulations issued by the IBBI in this regard from time to time. Besides, the Bank Trustee shall perform his duties and functions as provided in sections 149,150,157,159 and 164 to 167 of the code.
20. The Bankrupt shall submit his statement of financial position to the Bankruptcy Trustee in the prescribed form within 7 (seven) days from the date of this order i.e. Bankruptcy Commencement Date as provided in Section 129 of the Code.
21. The Bankruptcy Trustee shall send notices within 10 (ten days) from the Bankruptcy Commencement Date to the creditors specified in the statement of affairs submitted by the Bankrupt as well as the creditors mentioned in the captioned application as provided under Section 130(1)(a) of the Code.
22. The Bankruptcy Trustee shall issue Public Notice inviting claims from the creditors as contemplated under Section 130(2) of the Code in leading newspapers, one in English and another in vernacular having sufficient circulation where the Bankrupt resides.

23. The Bankruptcy Trustee shall conduct the administration and distribution of estate of the Bankrupt in accordance with the provisions of Chapter V as provided in Section 136 of the Code
24. The Bankruptcy Trustee may seek such further information or explanation in connection with bankruptcy process as may be required from the debtor or the creditor or any other person who in the opinion of the Bankruptcy Trustee, may provide such information. The persons from whom information or explanation is sought shall furnish such information or explanation within seven days of receipt of the request.
25. The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a Preliminary Report within 90 (ninety) days of the Bankruptcy Commencement Date and a copy of the Report shall also be served on the Bankrupt as provided in Regulation 8 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulation, 2019.
26. The Bankruptcy Trustee shall submit Progress Reports to the Adjudicating Authority within 15 (fifteen) days after the end of every quarter and a copy of the Report shall also be served upon the Bankrupt as provided under Regulation 10 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for personal Guarantors to corporate debtors) Regulation, 2019.
27. The Bankruptcy Trustee shall file the final report with the Adjudicating Authority along with the application under sub-section (1) of Section 138 as provided in Regulation 11 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019.

28. The fee of the Bankruptcy Trustee shall be determined as provided under Regulation 4 of the Insolvency and Bankruptcy (Bankruptcy Process for Personal Guarantors to Corporate Debtor) Regulations, 2019.
29. The Registry is directed to send e-mail copies of the order forthwith to the Bankrupt, the Creditors and the Bankruptcy Trustee for information and for taking necessary steps.
30. The Registry is also directed to forward a copy of this order to Insolvency and Bankruptcy Board of India.
31. A certified copy of the order is to be issued upon compliance with requisite formalities.
32. This order of Bankruptcy shall continue to have the effect till the debtor is discharged under Section 138 of the Code.
33. Accordingly, the Company Petition (IB) No.956/2026 is **admitted**.
34. List this Company Petition as and when reports are filed by the Bankruptcy Trustee.

Sd/-
BANWARI LAL MEENA
MEMBER (TECHNICAL)
Vicky/Supriya

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)