IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

SPECIAL BENCH

ITEM No.25

C.P (IB) No.56/BB/2026

IN THE MATTER OF:

Canara Bank ... Petitioner

Vs

Mr.Mehashoof Ahmed Bava ... Respondent

Petition under Section 95 (1) of I & B Code, 2016

Order delivered on: 09.07.2026

CORAM:

SHRI SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI. BANWARI LAL MEENA
HON'BLE MEMBER (TECHNICAL)

COUNSELS PRESENT:

For the Petitioner : Shri Hemanth Rao

ORDER

1. The Company Petition has been filed by **Canara Bank** u/s 95 (1) of the I&B Code, 2016 read with Rule 7(2) of the I&B (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, seeking to initiate Insolvency Resolution Process against Personal Guarantor **Mr. Mehashoof Ahmed Bava.** It is clarified that from the date of filing of this Application Interim Moratorium has commenced as stipulated under Section 96(1) of the Code.
2. The Petitioner had granted various credit facilities to ***M/s. Bava Infrastructure Developers Private limited***. The Personal Guarantor as

the Director of the Corporate Debtor, had personally guaranteed the debts of the Corporate Debtor. The Corporate Debtor failed to repay the liability, consequently, the Financial Creditor initiated proceedings under SARFAESI Act. The Hon'ble DRT-1 vide order dated 28.03.2024 in O.A No.1615/2025 held that the Creditor is entitled to recover the total sum of **Rs.41,50,36,807/-** from the Corporate Debtor a well as the Personal Guarantor along with interest from the date of filing of the OA until the date of realisation. Further, this Authority vide order dated 20.06.2024 had admitted the petition against the Corporate Debtor.

3. The Personal Guarantor is liable to pay a sum of **Rs.52,82,70,499.79** which remains outstanding despite sufficient time and opportunity granted by the Financial Creditor. A Demand Notice was issued by the Creditor on 26.05.2025 which remained un-complied.
4. It shall be noted that the appointment of the Resolution Professional under Section 97 of the Code is not only critical and essential for the Petitioner but also to safeguard the assets of the personal guarantor in terms of the provisions of Code.
5. Having examined the matter preliminarily, in view of the dictum in ***Dilip B Jiwarajka*** case, we hereby appoint **Shri Gururaj K.** IBBI/IPA-002/IP-N01330/2025-2026/14581, Address at : No. 3, SBI Officers Colony, Basaveshwaranagar, Bangalore, 17th Cross, Near Ayodhya Sagar Hotel, Bangalore, Karnataka-560079 email: gkashi1234@gmail.com from the Panel forwarded by IBBI as the Resolution_Professional in the matter.
6. **The RP shall file his consent with credentials within one week.** The RP fee may be decided by the parties by interacting with each other. In the meanwhile, the Financial Creditor is directed to make initial deposit of **Rs.30,000/-** (Rupees Thirty Thousand only) with the RP to enable him to carry out his duties as per order, which shall be adjustable towards cost incurred in the process and remuneration.
7. During the Interim Moratorium period: **(i)** any legal action or proceedings pending in respect of any debt shall be deemed to have been stayed: and **(ii)** the creditors of the debtor shall not initiate any legal action or proceedings in respect of any debt. **(iii)** As per Section 96(3) of the Code,

the provisions of Sub-section 96(1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

8. The Resolution Professional is directed to exercise all the powers as enumerated under Section 99 of the Code read with Rules made thereunder. He is directed to examine this petition and make recommendations with reasons in writing for its acceptance or rejection within the stipulated time as envisaged under of Section 99 of the Code. The Resolution Professional shall provide a copy of the report under of Section 99(7) to the Creditor and Personal Guarantor as soon as the same is filed before this Authority.
9. The Petitioner/Financial Creditor is directed to immediately serve a copy of this order on the RP and on his notifying consent for the assignment, provide him a copy of Petition and documents. **Registry to also forward a soft copy to the RP of this order**.
10. List the case on **20.08.2026** for consideration of RP report**.**

-Sd-	**-Sd-**
BANWARI LAL MEENA	**SUNIL KUMAR AGGARWAL**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**

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