



IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.302 & 303
C.P.(IB)/361(AHM)2025
&
IA/365(AHM)2026 in C.P.(IB)/361(AHM)2025

Proceedings under Section 95 IBC

IN THE MATTER OF:

Unity Small Finance Bank Limited
V/s
Kavita Dhirendra Chopra & Another

.....Applicant

.....Respondent

&

Abhishek Choudhary RP in the matter of PG Kavita
Dhirendra Chopra

.....Applicant

Order delivered on: 03/06/2026

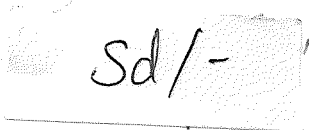
Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

This case is fixed for pronouncement of order


The order is pronounced in open court vide separate sheet.



DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)



CHITRA HANKARE
MEMBER (JUDICIAL)



**BEFORE THE ADJUDICATING AUTHORITY
THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD (COURT - II)**

**IA No. 365 of 2026
with
CP(IB) No. 361 of 2025**

(Filed under Section 95(1) & Section 99 of the Insolvency & Bankruptcy Code, 2016)

Unity Small Finance Bank Limited
Having its registered office at:
Unit No. 1201,1202 & 1203, 12th Floor,
Ansal Bhawan, 16 K.G. Marg,
New Delhi GPO, Delhi-110001
Also at: 8TH Floor, Centrum House,
CST Road, Kalina, Santacruz
Mumbai, 400098

... Financial Creditor/Applicant

Versus

Mrs. Kavita Dhirendra Chopra
Personal Guarantor to
M/s. Osia Hyper Retail Limited
Having address at: 48/A, Sree Sthanakvasi
Jain Society, Near Naranpura Railway Crossing
Ahmedabad, Gujarat-380013

... Personal Guarantor/Respondent

Order pronounced on 03.06.2026

CORAM:

**MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)**

**DR. V. G. VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)**

Sd/-

Sd/-



Present:

For the Applicant : Ms. Varsha Banerjee , Adv. and
Ms. Udit Singh, Adv. and Mr. Parth
Shah, Adv
For the PG : Mr. Arjun M. Padhiyar , Adv.
For the RP : Mr. Atul Sharma, Adv. with
Mr. Abhishek Choudhary , RP

JUDGEMENT

1. Unity Small Finance Bank Limited (Financial Creditor) has filed this Application under section 95 of the Insolvency and Bankruptcy Code, 2016 (In short "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 to initiate Personal Insolvency Resolution Process against Mrs. Kavita Dharendra Chopra, the Personal Guarantor of the Corporate Debtor namely M/s. Osia Hyper Retail Limited for default of an amount of Rs. 10,03,58,635/-.
2. The applicant stated that the Corporate Debtor is registered on the TREDS Platform as a buyer which facilitates the conversion of trade receivables of MSMEs or the sellers into cash more quickly. The vendors of the Corporate Debtor uploads their respective invoices over the TREDS platform which are subsequently approved by the Corporate Debtor

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himself and the Applicant bank used to bid for the invoices over the Platform, which are subsequently accepted by the Buyer (i.e. the Corporate Debtor) and the Applicant Bank used to directly disburse the funds to the sellers of the Corporate Debtor on its behalf which is a form of Working Capital financing. It is further stated that Bill Discounting Facility provided by the applicant bank falls within the ambit of Financial Debt.

3. The applicant states that aforementioned transactions were governed by the Master Agreements executed between RXIL and Corporate Debtor dated 29.07.2023, Agreement between RXIL and Applicant Bank dated 21.01.2023, Memorandum of Understanding dated 14.02.2023 executed between the Applicant Bank, Corporate Debtor and promoters/ personal guarantors. It is stated that MOU dated 14.02.2023 unequivocally applies to all Bill Discounting Facilities whether directly or on the TReDS platform. The definitions of word "Facility" and "Transaction Documents" in the MoU include all agreements, loan documents, undertakings, indentures, deeds, writings and other documents. Therefore, the MoU governs both Vendor Finance Facility and Factoring Facility

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availed by the Principal Borrower and guaranteed by the Guarantor.

4. The applicant stated that despite the contractual obligations and repeated disbursements made by the Applicant towards various suppliers of the Corporate Debtor, the CD failed to make repayment on due dates. The CD, initially had made certain payments but consistently defaulted thereafter, and no payments were received towards subsequent disbursements. It is further stated that the last payment was received on 17.03.2025, after which the account turned irregular.
5. The applicant states that a recall notice dated 22.05.2025 was issued to the Corporate Debtor, respondent demanding payment of the outstanding amounts. However, neither the Corporate Debtor nor respondent made any repayment. Further, the applicant issued demand notice dated 17.07.2025 under Rule 7 (1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 calling upon the Personal Guarantor to pay Rs.10,03,58,635/-. The amount of default stated by the applicant is Rs. 10,03,58,635/- . Date on which debt was due

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is mentioned as 22.05.2025 and date of default is on and from 22.05.2025. This application was e-filed on 06.09.2025.

6. Vide order dated 28.01.2026, the resolution professional Mr. Abhishek Choudhary having registration no. IBBI/IPA-001/IP-P-02749/2022-2023/14209 was appointed to submit his report under Section 99 of IBC, 2016, to recommend admission or rejection of the application. The Resolution Professional had filed his report on 21.02.2026 recommending the rejection of the application filed by Applicant under Section 95 of the IBC, 2016. The report states that Corporate Debtor had availed two distinct and independent bill discounting facilities, each governed by separate agreements and personal guarantee executed in respect of a particular facility under a specific agreement cannot automatically be extended or enforced for another independent facility unless the document evidences that the guarantee was intended to cover multiple facilities or all present and future obligations of the Corporate Debtor. The documents relied upon by the Applicant are incomplete, inconsistent and misleading. The quantum of debt as on the date of filing of the application has not been specified.

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7. The applicant in response to the report filed by Resolution Professional states that burden of proof lies on the RP to prove the allegation of incomplete and misleading documents. The applicant had submitted all relevant documents and clarifications sought by the RP and the same is clearly evident from the correspondence between RP and applicant. The quantum of default as on 30.06.2025, in line with the demand notice was duly specified in the application filed under Section 95 of IBC, 2016. Non-Mention of the quantum of default as on the date of filing cannot be a ground to recommend rejection of an otherwise complete petition. Reliance has been placed by the applicant on the decision of Mudraksh Investfin Pvt. Ltd Vs Gursev Singh, Company Appeal (AT)(INS) No. 09 of 2025 passed by Hon'ble NCLAT in which it was held that since the threshold stood satisfied as on the date of default, the petition cannot be rejected on the hyper-technical ground that quantum of default on the date of filing was not specified. It is further stated that RP had sought to create an artificial distinction between the facility availed by the Principle Borrower as Vendor Finance Facility and factoring facility availed on TReDS platform. The aforementioned distinction is contrary to the MOU dated 14.02.2023.

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8. The Respondent/ Personal Guarantor in its reply states that the applicant through its representatives had approached the corporate debtor for the first time in October, 2022 for providing Vendor Finance Facility, pursuant to which MOU dated 14.02.2023 was entered into between corporate debtor, applicant bank, and between two directors of the Corporate Debtor. In furtherance of the aforesaid MOU, the personal guarantee deed was executed in relation to MOU particularly for vendor financing arrangement. It is further stated pursuant to the MOU, the limit of only Rs. 5 Crore was utilised which is confirmed from the fixed deposit of 10% of disbursed amount i.e. Rs 50 Lakh as given by the Corporate Debtor. The entire amount under the MOU has been repaid in total in the month of May, 2025.
9. The Respondent states that the applicant bank has intentionally not produced the statement of account in relation to the aforesaid facility and has misled this Tribunal by producing MOU and Deed of Personal Guarantees which already stood terminated. It is stated that there is no outstanding dues in furtherance to MOU dated 14.02.2023. In relation to the transaction between the Applicant and Corporate Debtor qua TREDS Platform, no security is provided

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by the Corporate Debtor or by its guarantors which include any undated cheque or any personal guarantee other kind of security and hence, the entire facility is unsecured. As per the Statement of Account produced by the applicant, the limit which is mentioned in relation to the account of the Corporate Debtor is of Rs. 10,10,00,000/- and the program name is also specifically mentioned as "Receivable Exchange of India Limited".

10. The Respondent states that there are two separate facilities between the Corporate Debtor and the Applicant bank having their own independent terms and conditions.
11. The Applicant relies upon the following judgments :-
 - a. *Company Appeal (AT)(INS) No. 09 of 2025 between Mudraksh Investfin Pvt. Ltd Vs Gursev Singh, passed by Hon'ble NCLAT.*
12. Both the parties have filed their written submissions and also heard both the counsels.
13. Observations:
 - a) We observe from the documents that the respondent PG is a director in the CD who is registered with Trade Receivables Exchange of India Limited (TReDS) as a "buyer" to which the Financial Creditor had granted credit facilities which was

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guaranteed by the respondent through a deed of Guarantee dated 13.02.2023. The Lending to the CD is permitted and as per the guidelines of RBI. The Master agreement between the RXIL (Manager of the platform of - TReDS) and the vendor has been placed on record. The CD is a buyer which buys the invoices of sellers and the process flow, its role and responsibilities are specified in the guidelines. It is also mentioned in the RXIL agreement and the buyer (CD) assumes the responsibility for funding the bid which is financed by the applicant FC. This is in terms a bill discounting facility and includes a provision for the CD recommending them by mail for availing financial facilities and also confirming the payments to them. Any due from the vendors is guaranteed to be paid by the CD which is in turn guaranteed by the respondent.

b) The FC thereby has a back to back arrangement of credit facility with the CD which is further secured by the Personal Guarantee. The Personal Guarantee Agreement mentions that the guarantor is one of the signatories to the binding MOU signed between the parties (Bank, Anchor(CD) and the Guarantor) for Rs 15 crores. The Facility is a vendor finance facility sanctioned by the bank and the guarantee agreement

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has specified that the respondent has unconditionally guaranteed the performance of borrower in terms of the facility agreement and other transactions documents. The Agreement further also confers the rights on the applicant FC under IBC 2016, etc.

c) Recall notice issued vide letter dated 22.05.2025 to the respondent (and the CD) amounts to invocation of the guarantee as it seeks repayment in the capacity of guarantor.

d) The applicant FC has also filed the Form C of NESL wherein the name/s of guarantor and CD are mentioned.

e) We observe from the link documents and the facility, the procedure, confirmation and availing the facility, has not been repaid and the stated guarantee is invoked.

14. In view of the above we pass the following order.

ORDER

- I. CP(IB) no. 361 of 2025 is allowed;
- II. The insolvency process is initiated against the personal guarantor, Mrs. Kavita Dharendra Chopra. The moratorium begun on the date of admission of the application shall cease to have effect at the end of the period of 180 days

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from the date of this order. During the moratorium period, the following provisions shall be in effect:

- a) Any pending legal action or proceeding in respect of any debt 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.

III. The Resolution Professional is directed to cause a public notice published on behalf of the Adjudicating Authority within 7 days of uploading of this Order on the website of the NCLT, inviting claims from all Creditors, who shall register their claims as provided under Section 103 within 21 days of such issuance. The notice shall contain the necessary information as provided under Section 102 (2) of IBC, 2016. The publication of notice shall be made in newspapers, one in English and other in Vernacular which

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have wide circulation in the State where the Personal Guarantor resides. The Resolution Professional shall furnish two spare copies of the notice to the Registry. One shall be placed by the Registry on our website and the other shall be affixed in the premises of this Authority.

IV. The Resolution Professional in exercise of the powers conferred under Section 104 shall prepare a list of creditors within 30 days from the date of the notice. The debtor shall prepare a repayment plan in consultation with the Resolution Professional as provided under section 105 which shall include the provisions for payment of fee to the Resolution Professional. 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.

V. In case the Resolution Professional recommends that a meeting of the creditors is not required to be summoned, he shall record the reasons thereof. If the resolution professional is of the opinion that the meeting of the creditors should be summoned, he shall specify the details as provided under Section 106(3). The date of meeting

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should not be less than 14 days or more than 28 days from the date of submission of the report under sub-section (1) of Section 106, for which at least 14 days' notice to the creditors (as per the list prepared) shall be issued by all relevant/feasible modes. Such notice must contain the details as provided under the provisions of Section 107.

VI. The meeting of the creditors shall be conducted in accordance with sections 108, 109, 110 & 111. The Resolution Professional shall prepare a report of the meeting of the creditors on repayment plan with all details as provided under Section 112 and submit the same to this Authority, copies of which shall be provided to the debtor and the creditors. It is made clear that the resolution professional shall perform his function and duties in compliance with the code of Conduct provided under section 208 of the IBC, 2016.

VII. The applicant- financial creditor is directed to deposit Rs.2,00,000/- to the bank account of RP within one week, from the date of this order towards his fees. This shall be subjected to the Rules and Regulations under the provisions of IBC, 2016.

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VIII. The RP is directed to strictly abide by the provisions of IBC 2016 and complete the process of insolvency in a time bound manner after constitution of the CoC.

IX. In terms of the above, I.A. No. 365/2026 stands disposed of and CP (IB) – 361/AHM/2025, filed under Section 95 of the IBC, 2016 is admitted under Section 100 of IBC, 2016 and the Insolvency Resolution Process stands initiated against the Personal Guarantor i.e., Mrs. Kavita Dharendra Chopra.

Sd/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

DD-LRA

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)