IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT – II)

Item No. 306
IB-542/ND/2024
IA-844/ND/2026

IN THE MATTER OF:

(Under Section: 95 of the IBC, 2016)

Canara Bank ... **Applicant/Creditor**

Versus

Usha Gupta ... **Respondent/Guarantor**

AND IN THE MATTER OF IA-844/ND/2026:

Canara Bank
Through its Authorized Officer/Chief Manager
Mr. Anchu Chacko
Assets Recovery Management Branch-I,
Arya Samaj Road, Karol Bagh, Delhi-110005 ... **Applicant**

Versus

Mrs. Usha Gupta
1202, Monarch Royal Ville,
Sector 82, Gurugram Haryana-122004 ... **Respondent**

Under Section: 123 of IBC, 2016

Order delivered on 25.02.2026

CORAM:

SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)
MS. REENA SINHA PURI, HON'BLE MEMBER (T)

PRESENT:

For the Applicant : Adv. Siddharth, Adv. Sharique Ajmal
For the Respondent :

Hearing Through: VC and Physical (Hybrid) Mode

ORAL ORDER

IA-844/ND/2026: Our attention is drawn to the order dated 18.11.2025 passed in IA-5620/ND/2025, which reads thus:-

IA-5620/ND/2025: In terms of the order dated 31.07.2025, we allowed the IA-5190/2024 and admitted IB-542/ND/2024. The relevant excerpt of the order reads thus:

> *" 8. Despite opportunities granted to the personal guarantor, no one appeared to espouse his stand. Thus there is no material on record to show that the amount of debt could be repaid to the creditor in any manner. The RP has already mentioned in his report that the debtor could not adduce any such evidence as has been indicated in Section 95(2) of IBC, 2016. In the totality of the facts and circumstances, we have no option but to accept the recommendation made by the RP and admit the application. Ordered accordingly.*
>
> *9. Resultantly, from the date of present order i.e. today, moratorium shall commence qua all the debts of the PG, which shall end at the end of the period of 180 days beginning from today or on the date of an order on repayment plan, u/s 114 of IBC, 2016, whichever is earlier. During the moratorium period:-*
>
> *a) any pending legal action or proceeding in respect of any debt shall be deemed to have stayed;*
>
> *b) the creditors shall not initiate any legal action or legal 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.*
>
> *10. Mr. Vimal Kumar, having registration no. IBBI/IPA-002/IP-N00995/2020- 2021/13236, RP i.e. Applicant will continue as RP qua the process. The RP shall discharge his duties as stipulated in terms of the provisions of Section 102, 103, 104, 105, 106, 107, 108, 110, 112 & 113 of IBC 2016.*
>
> *11. Let a copy of this order be given to the Applicant Creditor, RP (Applicant) and Personal Guarantors. The copy of this order be also sent to IBBI for its record.* ***Application stands disposed of."***

As can be seen from the aforementioned order dated 31.07.2025 the Respondent did not appear even to defend himself in the proceedings under Section 99 of IBC, 2016. Thus, no fruitful purpose would be served by issuing notice to her at this stage. As can be seen from the application preferred under Section 106 of IBC 2016, there is an averment contained therein that no repayment plan has been received by the Resolution Professional from the Respondent/Personal Guarantor. Para-9 of the application reads thus:

> *" 9. That in compliance of Section 105 of the IBC, 2016, the Respondent has to prepare a repayment plan in consultation with the Applicant/ Resolution Professional and accordingly the Applicant/ Resolution Professional shall submit a report before this Hon'ble Adjudicating Authority with respect to the Repayment Plan. However, in the present matter in hand, the Respondent/ Personal Guarantor has not reverted to any emails, letters and other communications of the Resolution Professional. Hence no repayment plan has been received by the Applicant /Resolution Professional from the Respondent/ Personal Guarantor in the present matter till the date of filing this present application. Further it is also pertinent to mention that this Hon'ble Adjudicating Authority while adjudication of Petition filed under the provisions of section 95 of the IBC, 2016 read with Section 99 of IBC, 2016 vide order dated 16.12.2025 has directed to proceed the Respondent / Personal Guarantor as ex parte. A copy of order dated 16.12.2025 passed by this Hon'ble Adjudicating Authority is annexed as* ***ANNEXURE-6."***

As can be seen from proviso to Section 106(2) of IBC, 2016 it may not be necessary for the Resolution Professional to call the meeting of Creditors when there is no justification to do so. When the Personal Guarantor has not offered any repayment plan, the Resolution Professional is justified in not calling the meeting of the Creditor. The proviso to Section 114(1) of IBC, 2016 provides that this Tribunal may pass an order regarding the fate of CIRP, also with reference to the report under Section 106 of IBC, 2016. Indubitably, the ramification of non-submission of repayment plan by the Corporate Debtor is same as that of rejection of the repayment plan. In the wake, the present proceedings are closed and as it is left open to Creditors to resort to the Code as provided under the law including filing of application under Section115(2) of IBC, 2016 read with Section 121 and 123 of the Code. The **present application stands disposed of.**

2. As can be seen from the aforementioned order, the PG/Debtor did not participate in CIRP. Thus, no purpose will be served by giving notice to her also in the present proceedings. It is also seen from the aforementioned order that the creditor was granted the liberty to resort to the process under Section 115(2) read with Sections 121 & 123 of IBC, 2016. Availing such liberty, the creditor has preferred the present petition. A perusal of Part III of the application indicates that the debtor could commit default in making the payment of Rs. 54,92,41,886.48/-. The relevant excerpt of Part-III of the application in which particulars of details/securities are given reads thus:-

PART-III

PARTICULARS OF DEBT		
1.	Total debt (including any interest or penalties)	Total Amount of Debt: Rs.54,92,41,886.48 (Rupees Fifty Four Crores Ninety Two Lakhs Forty One Thousand Eight Hundred eighty Six and Paise Forty Eight only) as on 31/01/2026.
2.	Amount in default	Total Amount of Debt: Rs.54,92,41,886.48 (Rupees Fifty Four Crores Ninety Two Lakhs Forty One Thousand Eight Hundred eighty Six and Paise Forty Eight only) as on 31/01/2026.
3.	Date on which debt was due	**Canara Bank** **Date on which debt was due:** **19.12.2018** **(Date of NPA)**
4.	Date on which default occurred	20/12/20018
5.	Nature of the debt	Credit Facilities
6.	Secured debt including particulars of security held, the date of its creation, its estimated value as per the creditor (as applicable)	Rs.46,28,03,729.88 (Rupees Forty Six Crores Twenty Eight Lakh Three Thousand Seven Hundred Twenty Nine and Eighty Eight Paisa Only) As on 30/04/2024. Security provided by Corporate Debtor includes the following:

		Collateral 1) EMT Commercial property situated at Unit No. 308, 3rd Floor, Maurya Classic Building, Link Road, Andheri West, Mumbai-400053, built up area 1126 square feet; [1st pari-passu charge along with another consortium member-Bank of Baroda (erstwhile Dena Bank) AND; 2) EMT Industrial Property situated at SP 1036, RIICO Industrial Area, Chopanki, Bhiwadi, District Alwar, Rajasthan measuring 9136 square meter (exclusive charged to applicant bank)

3. In Part-III(16), the Applicant has declared that it shall relinquish security. In the said part, the Applicant has also given the details of the CIRP record and application preferred under Section 95 and the report preferred under Section 99 of the IBC, 2016. The relevant excerpt of Part-III reads thus:-

PART-III

PARTICULARS OF DEBT		
10.	Particulars of an order of a court, tribunal or arbitral panel adjudicating on the default, if any (attach a copy of the order)	1. Hon'ble NCLT, Bench-II, New Delhi, vide its order dated 05/12/2023, admitted the Petition under Section 7 of IBC in Company Petition No. (IB)-293(ND)/2022 titled as "Romy Bansal Vs. Mica Industries Limited". Next date in the said case is 26/06/2023. 2. Copy of Original Application bearing OA No. 334/2021. 3. On an application filed by the Canara Bank, under Section 95 of the IBC 2016, the Hon'ble NCLT, New Delhi Bench (Court II) vide its order dated 03/09/2024 in CP IB-542/ND/2024 appointed Mr. Vimal Kumar, Insolvency Professional, as Resolution Professional ("RP") under section 97 of IBC 2014 and directed the RP to file his report.

		4. RP had filed his report under Section 99 of the IBC 2016 bearing IA-5790/ND/2024 based upon which Hon'ble NCLT New Delhi Bench (Court II) vide its order dated 31/07/2025 admitted the Application filed under Section 95 of the IBC 2016 and passed order under Section 100 of the IBC 2016. 5. During the insolvency resolution process, the RP had not received any repayment plan from the Personal Guarantor therefore, RP had filed a report under Section 106 of IBC 2016 bearing IA-5620/ND/2025 which was taken on record by the Hon'ble NCLT New Delhi Bench (Court II) vide its order dated 18/11/2025 and granted liberty to the Applicant/ creditor to resort to proceedings in terms of the provisions of Section 115(2) and read with Section 121 of IBC, 2016. Copies of Orders dated 05/12/2023, 03/09/2024, 31/07/2025 and 18/11/2025 are collectively annexed herewith and marked as **ANNEXURE A-5(COLLY).**
11.	Record of default with the information utility, if any (attach a copy)	Report dated 12/04/2024 NeSL relating to default of the principal debtor. Copy of the Report of NeSL dated 12/04/2024 is annexed herewith as **ANNEXURE A-6.**
12.	Details of succession certificate, or probate of a will, or letter of administration, or court decree (as may be applicable), under the Indian Succession Act, 1925 (10 of 1925) (attach a copy)	N.A.

13.	Provision of law, contract or other document under which debt has become due (attach a copy)	1. Provisions of Indian Contract Act 2. Copy of the Sanction Letter 3. Common Hypothecation Agreement 4. Guarantee Agreement 5. Supplemental Joint Deed of Hypothecation 6. Deed of Guarantee 7. OTS proposal given by the Corporate Debtor Copies of aforementioned documents are annexed herewith as **ANNEXURE A-7(COLLY).**
14.	A statement of bank account where deposits are made or credits received normally by the creditor in respect of the debt of the debtor (attach a copy)	Statement of bank accounts of Corporate Debtor along with certificate of Banker Book Evidence are annexed herewith as **ANNEXURE A-8(COLLY).**
15.	List of documents attached to this notice in order to prove the existence of debt and the amount in default	**ANNEXURE A-2**: Printout of Company master Data **ANNEXURE A-3**: Copy of the Credit Worthiness report of the Personal Guarantor dated 25/08/2002 **ANNEXURE A-4**: Printout of Director's Master Data of Debtor of the abovementioned Company **ANNEXURE A-5(COLLY)**: Copies of Orders dated 05/12/2023, 03/09/2024, 31/07/2025 and 18/11/2025 **ANNEXURE A-6** : Report dated 12/04/2024 NeSL relating to default of the principal debtor. Copy of the Report of NeSL dated 12/04/2024 **ANNEXURE A-7(COLLY)**: 1. Copy of the Sanction Letter 2. Common Hypothecation Agreement 3. Guarantee Agreement

		4. Supplemental Joint Deed of Hypothecation 5. Deed of Guarantee 6. OTS proposal given by the Corporate Debtor **<u>ANNEXURE A-8(COLLY)</u>:** Statement of bank accounts of Corporate Debtor along with certificate of Banker Book Evidence **<u>ANNEXURE A-9</u>** : Copy of the Application being CP IB-542/ND/2024 filed under section 95 of the IBC 2016 **<u>ANNEXURE A-10 (COLLY)</u>**: Copy of the report bearing IA-5190/ND/2024 under section 99 of the IBC 2016 filed by Mr. Vimal Kumar, Resolution Professional **<u>ANNEXURE A-11(COLLY)</u>**: Copy of the report under section 106 of the IBC 2016 filed by Mr. Vimal Kumar, Resolution Professional bearing IA-5620/ND/2025
16.	Statement by the secured creditor under section 123(2) of the Code	In the event a bankruptcy order accepting the application is passed by the Adjudicating Authority, I shall relinquish my security mentioned in serial number 6 for the benefit of all the creditors of the debtor.
17.	Statement by creditor in respect of excluded debts	I, Anchu Chacko, Chief Manager and Authorized officer of Canara Bank, hereby state that the debt(s) for which the bankruptcy process application is filed does not include any- (i) liability to pay fine imposed by a court or tribunal; (ii) liability to pay damages for negligence, nuisance or breach of a statutory, contractual or other legal obligation; (iii) liability to pay maintenance to any person under any law for the time being in force; (iv) liability in relation to a student loan; (v) any other debt prescribed under section 79(15)(e) of the code.

4. From the above it is clear that the requirement of Section 123 of the Code is fulfilled and satisfied. In terms of the provisions of Section 125 of IBC, 2016, there is a requirement to seek confirmation regarding the appointment of the IP proposed by the Applicant for this appointment as RP. Nevertheless, in the present case, the IP Mr. Vimal Kumar has given the declaration that no legal proceedings are pending against him. Part-IV of the application reads thus:-

PART – IV

PARTICULARS OF & DECLARATION BY INSOLVENCY PROFESSIONAL (IF PROPOSED TO ACT AS BANKRUPTCY TRUSTEE)				
1.	Title and full name	Mr. Vimal Kumar Insolvency Professional IBBI Reg. No.: IBBI/IPA-002/IP-00995/ 2020-2021/13236) AFA valid upto: 31-12-2026		
2.	Address	Present	Permanent	Business
		G-10, 2nd Floor, Sector 63, Noida, Gautam Budh Nagar, Uttar Pradesh-201301		
3.	E-mail address(es)	Maidvimal1@Rediffmail.Com		
4.	Contact number	Home	Mobile	Business
		+91-7022034145		
5.	Declaration by insolvency professional	I, Vimal Kumar, an insolvency professional registered with ICSI Institute of Insolvency Professionals having registration number IBBI/IPA-002/IP-00995/2020-2021/ 13236, have been proposed as the insolvency professional by Canara Bank in connection with the proposed bankruptcy process of Mrs. Usha Gupta. I hereby: (i) agree to accept appointment as the insolvency professional if an order of appointment is passed by the Adjudicating Authority;		

X X X

		(iv) certify that there are no disciplinary proceedings pending against me with the Board or ICSI Institute of Insolvency Professionals;

		(v) affirm that I am eligible to be appointed as an insolvency professional in respect of the debtor in accordance with regulation 3 of the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019; (vi) make the following disclosures in accordance with the code of conduct for insolvency professionals as set out in the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016: a. That I do not acquire, directly or indirectly , any of the assets of the debtor, nor knowingly permit any relative to do so; b. I shall maintain complete independence in my professional relationships and should conduct the insolvency resolution process independent of external influences; c. I ensure that no asset is or will be acquired by me or my relatives, whether directly or indirectly, in case I deal with the assets of the debtor during liquidation or bankruptcy process, unless it is shown that there was no impairment of objectivity, independence or impartiality in the liquidation or bankruptcy process and the approval of the Board has been obtained in the matter; d. I shall not take up an assignment under the Code If, I, any of the relatives, any of the partners or directors of the Insolvency Professional entity of which I am a partner or director, or the insolvency professional entity of which I am a partner or director is not independent, in terms of the Regulations related to processes under

		the Code, in relation to the corporate person/ debtor and its related parties; e. I do not have any pecuniary or personal relationship with any of the stakeholders entitled to distribution under section 53 or 178 of the Code, and the concerned corporate person/ debtor; f. I will adhere to the code of conduct as provided in the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. VIMAL KUMAR ★ INSOLVENCY PROFESSIONAL IBBI/IPA-002 IP-N00995/ 2020-2021/ 13236 VIMAL KUMAR (Signature of the insolvency professional) Copy of the IBBI Certificate and AFA of Mr. Vimal Kumar is annexed herewith and marked as **ANNEXURE A-13(COLLY)**

5. To save time in the bankruptcy process, the IBBI has made a panel of IPs available to this Tribunal for appointment as Bankruptcy Trustee in such cases where there is no proposal by the Applicant of any name for such appointment. In the wake, the requirement of the procedure prescribed in Section 125 has been dispensed with. Additionally the only purpose of seeking confirmation from IBBI regarding the appointment of the IP proposed by the creditor as Bankruptcy Trustee is to verify the antecedents of the IP so proposed. In the present case, since the IP has given the declaration regarding his character and antecedents, we do not find it necessary to issue any notice to IBBI. Nevertheless, if at any stage the declaration is found false, the IP would face the consequence.

6. In the wake, as proposed by the Applicant, **this Bench appoints Mr. Vimal Kumar, IP** as **Bankruptcy Trustee**, whose details are given below:-

- IBBI Registration No: IBBI/IPA-002/IP-00995/2020-2021/13236

- E-mail: Maidvimal1@Rediffmail. Com
- Contact Number: 7022034145

7. As mentioned above, no repayment plan was offered by the Personal Guarantor during the IR process and after satisfying ourselves with the compliance of the aforesaid provisions, we find it proper to admit the present I.A. In the wake, the Personal Guarantor i.e. **Smt. Usha Gupta is declared as Bankrupt.**

8. As mandated under Section 127 of the Code, this order of Bankruptcy shall continue to have the effect till the debtor is discharged under section 138 of IBC, 2016.

9. The Bankrupt shall submit his statement of financial position to the Bankruptcy Trustee in the prescribed Form within seven days from the date of the order, as required under Section 129 of IBC, 2016.

10. By operation of the provisions of Section 128 and 154 of the IBC, 2016, the estate of the Bankrupt excluding the assets mentioned in Section 155(2) of Code r/w Rule 5 of Insolvency and Bankruptcy (Application to Adjudicating Authority for Bankruptcy Process for Personal Guarantors to Corporate Debtor) Rules, 2019 would vest with the Bankruptcy Trustee. The Bankruptcy Trustee is directed to take into his custody all the assets, properties, and actionable claims of the Bankrupt and take necessary steps to ensure preservation, protection, security and maintenance of those properties as provided under section 128 and 154 of IBC, 2016 forthwith.

11. The Bankruptcy Trustee is directed to adhere to provisions of Section 128, 129(4), 132, 133, 134, 135, 136 and 137 of IBC, 2016 and discharge his powers and duties as specified and meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time. Besides, the Bankruptcy Trustee would perform his duty and function as provided in Section 149, 150, 157, 159, 164, 165, 166 and 167 of the Code.

12. The Bankruptcy Trustee would be entitled to exercise the right and general power as provided in Section 151 and 152 of the Code.

13. The Bankrupt, his banker or agent or any other person having possession of his property, books, papers, or other records which the Bankruptcy Trustee is required to take possession for the purpose of the Bankruptcy process shall deliver the said property and documents to the Bankruptcy Trustee as per provisions of Section 157 of IBC, 2016.

14. The Bankruptcy Trustee would also ensure the compliance of all the provisions of IBC, particularly those contained in Chapter IV and V thereof.

15. The Bankruptcy Trustee shall send public notices as provided under Section 130(1)(a) of IBC, 2016 within ten days from the date of this order to the creditors mentioned in statement of affairs submitted by the Bankrupt under Section 129 of IBC, 2016 as also to the creditors mentioned in the captioned application.

16. The Public Notice inviting claims from the creditors as contemplated under Section 130(2) of the Code shall be issued in two leading newspapers, one in English and one in vernacular newspaper having wide circulation where the Bankrupt resides.

17. In the wake of the present order and subject to the provisions of sub-section (2) of 128 of the Code, no action shall be initiated against the property of the Bankrupt in respect of debt and no suit or other legal proceeding shall be initiated against the Bankrupt, save and except with the leave of this Adjudicating Authority as provided in Section 128(1)(c) of the Code and on such terms as this Adjudicating Authority may impose.

18. The Bankruptcy Trustee shall conduct the administration of distribution of estates of Bankrupt under Chapter V as provided in Section 136 of the Code.

19. In the wake of the present order the Bankrupt would incur such disqualifications and restrictions as are provided under Sections 140 and 141 of the Code.

20. The Bankruptcy Trustee may seek such further information or explanation in connection with the 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.

21. The Bankruptcy Trustee would exercise all the powers as enumerated under the Code read with Rules and Regulations made thereunder.

22. The Bankruptcy Trustee shall submit to this Adjudicating Authority and committee a preliminary report within ninety days from the date of this Bankruptcy Order after serving copy of the report on Bankrupt as provided in

Regulation 8 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulation, 2019.

23. The Bankruptcy Trustee shall submit to this Authority periodical progress report within fifteen days after the end of every quarter after serving copy of the report on the Bankrupt provided under Regulation 10 of Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulation, 2019.

24. 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) Regulations, 2019. The Bankruptcy Trustee would also show due deference to the provisions of Section 169 of IBC, 2016.

25. The Registry is directed to provide a copy of this Order as also copy of the Bankruptcy Petition to the Creditors and Bankruptcy Trustee within a week as provided in Section 126(2) of IBC, 2016, for taking necessary steps. A certified copy of the order is to be issued upon compliance with requisite formalities.

26. In terms of the aforesaid directions, the I.A. No. 844(ND)/2026 stands disposed of.

Sd/-
(REENA SINHA PURI)
MEMBER (T)

Sd/-
(ASHOK KUMAR BHARDWAJ)
MEMBER (J)

Upasana/Vishal/Ruchita