

**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-I), CHANDIGARH**

CP (IB) No. 87/Chd/HP/2024

*(Under Section 7 of the Insolvency and Bankruptcy Code, 2016,
read with Rule 4 of the Insolvency and Bankruptcy (Application to
Adjudicating Authority) Rules, 2016)*

IN THE MATTER OF:

HIVELOOP CAPITAL PRIVATE LIMITED

(Through its authorized signatory,

Sh. Vijay Kumar Sharma)

Having a registered office at:

#3rd Floor,

Khata no. 458/660/641/3/1A,

Harlur Main Rd. Marathahalli Sub Zone,

Mahadevpur Zone, Ward no. 150,

Bangalore, Karnataka, India 560102

Email: legumcorp@gmail.com

Phone no. 9872208999

Applicant/Financial Creditor

Versus

RVD SALES PRIVATE LIMITED

Having its registered office at

C/o Raj Kumar Mittal,

Khasra No. 2022/746,

Oppo. Urdu Training Centre, Solan,

Power House Road, Saproon, Himachal

Pradesh, India

Email: mi.monish@gmail.com

Ph. :8769169999

Respondent/Corporate Debtor

Order delivered on: 11.06.2026

**CORAM: MR. KHETRABASI BISWAL, HON'BLE MEMBER (JUDICIAL)
MR. SHISHIR AGARWAL, HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Petitioner: Mr. Karanveer Jindal, Advocate

For the Respondent: *Ex-parte vide* order dated 29.04.2025

ORDER

1. The instant application is filed by Sh. Vijay Kumar Sharma, authorized signatory of **M/s Hiveloop Capital Private** Limited (hereinafter referred to as “Applicant/ Financial Creditor”), under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to the adjudicating Authority) Rules, 2016 for initiation of Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) against **M/s RVD Sales Private Limited** (hereinafter referred to as the “Corporate Debtor/Respondent).

FACTS

2. Brief facts of the case, as set out in the Application by the Applicant, are summarised as under:
 - 2.1. The Applicant/Financial Creditor is a company incorporated under the provisions of the Companies Act, 2013 and is licensed with the Reserve Bank of India as a Non-Banking Financial Institution (“NBFI”). The Applicant is engaged in the business of extending financial assistance and credit facilities through its digital lending platform and mobile application.

2.2. The Corporate Debtor approached the Applicant seeking financial assistance in the nature of a Small Business Hypothecation Loan. Pursuant thereto, the Applicant sanctioned and disbursed a loan facility of ₹1,00,00,000/- (Rupees One Crore Only) in favour of the Corporate Debtor under Loan Account No. ORG6H0CSLEK7QQQC43NBPMBNJ1XOV (13483190) on 28.06.2022.

2.3. In consideration of the aforesaid financial assistance, the Corporate Debtor executed the requisite loan and security documents including the Loan Agreement and other ancillary documents in favour of the Applicant/Financial Creditor. The Corporate Debtor undertook to repay the loan amount together with applicable interest and other charges in accordance with the agreed monthly repayment schedule. The copy of the loan agreement is annexed as Annexure A-7 to this Application.

2.4. Despite availing the aforesaid credit facility, the Corporate Debtor failed to adhere to the repayment obligations and committed persistent defaults in payment of the instalments due under the loan arrangement. It is averred that the last disbursement under the loan facility was made on 19.11.2022, and the amount became due and payable on or before 19.12.2022, which is stated to be the date of default. The details of the monthly invoices raised are as follows:

Date	Invoice Number	Total Amount
05.07.2022	IA/PF/23/0000589	₹29,500.00

06.08.2022	RVD/2022/08/06/001	₹25,18,257.47
17.08.2022	RVD/2022/17/06/001	₹15,40,800.51
23.08.2022	RVD/2022/08/23/001	₹15,42,789.55
02.09.2022	RVD/2022/09/02/002	₹13,84,748.15
02.09.2022	RVD/2022/09/02/003	₹13,75,872.33
19.09.2022	RVD/2022/09/19/001	₹30,34,547.37
20.09.2022	RVD/2022/09/20/001	₹8,99,851.10
26.09.2022	RVD/2022/09/26/001	₹19,84,571.32
29.09.2022	RVD/2022/09/29/001	₹15,16,821.84
14.10.2022	RVD/2022/10/14/001	₹26,56,597.88
15.10.2022	RVD/2022/10/15/001	₹17,07,121.00
03.11.2022	RVD/2022/11/02/001	₹67,55,885.72
03.11.2022	RVD/2022/11/02/002	₹8,24,225.07
19.11.2022	RVD/2022/11/19/001	₹57,85,726.92

2.5. The last payment towards the loan account made by the Corporate Debtor was on 19.11.2022 for Rs. 44,00,000/- and no payment has been made thereafter despite repeated reminders and demands raised by the Applicant/ Financial Creditor. Consequently, the loan account of the Corporate Debtor became irregular and the outstanding liability continued to remain unpaid.

2.6. The Applicant invoked arbitration proceedings under the provisions of the Arbitration and Conciliation Act, 1996, for recovery of the outstanding dues and the claim petition preferred by the Applicant came to be allowed vide Arbitral Award dated 25.05.2023, passed in Claim Petition No. 9153/2023. It is averred that the said Award has attained finality and the dues remain unpaid. The copy of the arbitration award dated 25.05.2023 is annexed as Annexure A-9 to the Application.

2.7. A demand notice dated 14.10.2023 was issued to the Corporate Debtor calling upon it to liquidate the outstanding dues. However, despite service of the said notice, the Corporate Debtor failed to

discharge its liability and neglected to make payment of the outstanding amount. A copy of the Demand Notice is annexed as Annexure A-10 to this Application.

2.8. On 10.10.2023, a sum of ₹1,33,27,816/- (Rupees One Crore Thirty-Three Lakhs Twenty-Seven Thousand Eight Hundred Sixteen Only) remained due and payable by the Corporate Debtor to the Applicant. The said amount comprises principal outstanding of ₹99,69,152/- and accrued interest and penal charges amounting to ₹33,58,664/-.

2.9. The financial debt due and payable by the Corporate Debtor exceeds the minimum threshold prescribed under Section 4 of the Code and that the Corporate Debtor has committed default in repayment of the said debt. Hence, the present Application has been filed seeking initiation of CIRP against the Corporate Debtor under Section 7 of the Code.

2.10. The Corporate Debtor/Respondent was proceeded ex-parte vide order dated 29.04.2025 due to the continued non-appearance of the Corporate Debtor despite multiple opportunities afforded.

ANALYSIS & FINDINGS:

3. We have heard the learned counsel for the Applicant and perused the material available on record carefully and also relevant laws on the issue. In view of the pleadings, submissions made by the Learned Counsel for the applicant and documents placed on record, the following issues arise for consideration of this Adjudicating Authority:

- (i) Whether there is a “Financial Debt” as defined under Section 5(8) of the Insolvency and Bankruptcy Code, 2016?
- (ii) Whether the said financial debt meets the threshold prescribed under Section 4 of the Insolvency and Bankruptcy Code, 2016?
- (iii) Whether there is a default on the part of the Corporate Debtor in repayment of the said financial debt?
- (iv) Whether the present Application has been filed within the prescribed period of limitation?

Issue No. (i): Whether there is a “Financial Debt” as defined under Section 5(8) of the Insolvency and Bankruptcy Code, 2016?

4. With regard to Issue No. 1, whether there is a “Financial Debt”, it is pertinent to refer to section 5(8) of the Code, which reads as follows:

“5(8) Financial Debt means a debt along with interest, if any, which is disbursed against the consideration for the time value of money and includes-

- a. Money borrowed against the payment of interest;*
- b. Any amount raised by acceptance under any acceptance credit facility or its de-materialized equivalent;*
- c. Any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;*
- d. The amount of any liability in respect of any lease or hire purchase contract which is deemed as a finance or capital lease under the Indian Accounting Standards or such other accounting standards as maybe prescribed;*

- e. *Receivables sold or discounted other than any receivables sold on non recourse basis;*
- f. *Any amount raised under any other transaction, including any forward sale or purchase agreement, having the commercial effect of a borrowing;*

Explanation:- For the purposes of this sub-clause,—

- (i) any amount raised from an allottee under a real estate project shall be deemed to be an amount having the commercial effect of a borrowing; and*
 - (ii) the expressions, “allottee” and “real estate project” shall have the meanings respectively assigned to them in clauses (d) and (zn) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016);]*
- g. *Any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and for calculating the value of any derivative transaction, only the market value of such transaction shall be taken into account;*
 - h. *Any counter-indemnity obligation in respect of a guarantee, indemnity, bond, documentary letter of credit or any other instrument issued by a bank or financial institution;*
 - i. *The amount of any liability in respect of any of the guarantee or indemnity for any of the items referred to in sub-clauses (a) to (h) of this clause.”*

5. From a bare perusal of the aforesaid provision, it is evident that for a debt to qualify as a “Financial Debt”, the following essential ingredients are required to be satisfied:

- (a) there must be a disbursal of money;
- (b) such disbursal must be against consideration for the time value of money; and
- (c) the transaction must have the commercial effect of borrowing.

6. In the present case, the material available on record clearly establishes that the Applicant/Financial Creditor had sanctioned and disbursed a loan facility amounting to ₹1,00,00,000/- in favour of the Corporate Debtor under a Small Business Hypothecation Loan arrangement. The Corporate Debtor had executed the requisite loan documents and had undertaken to repay the loan amount together with applicable interest and other charges in accordance with the agreed repayment schedule.
7. The statement of account, invoice-wise details and the Arbitral Award placed on record further substantiate that the amount disbursed by the Applicant/Financial Creditor was against consideration for time value of money and carried the commercial effect of borrowing. The disbursement of the loan amount, execution of loan documents and the continuing liability of the Corporate Debtor stand duly established from the material available on record. The transaction in question, therefore, squarely falls within the ambit of "Financial Debt" as defined under Section 5(8) of the Code.

Issue No. (ii): Whether the said financial debt meets the threshold prescribed under Section 4 of the Insolvency and Bankruptcy Code, 2016?

8. As regards Issue No. (iii), it is also pertinent to note that the amount claimed by the Applicant/Financial Creditor exceeds the minimum threshold mentioned under Section 4 of the Code. The Applicant has claimed an amount of ₹1,33,27,816/- as on 10.10.2023, comprising principal outstanding along with accrued interest and other charges.

9. In this regard, reliance may be placed upon the judgment passed by the Hon'ble National Company Law Appellate Tribunal in ***Netafirm Agricultural Financing Agency Pvt. Ltd. v. Baliraja Sakhar Karkhana Ltd.*** (2023) *ibclaw.in* 288 NCLAT, wherein it was observed as under:

“6. The copy of application under Section 7 has been annexed alongwith the Appeal which indicate that the amount of Principal and Interest added is Rs.1.33 Crore i.e. beyond the minimum threshold required. Learned counsel for the Appellant has referred to Deed of Guarantee, which mention about the interest on default. We, thus, are of the view that for finding out threshold both amount Principal and Interest has to be computed.”

10. In view of the aforesaid judgment and the material placed on record, this Adjudicating Authority is satisfied that the aggregate amount comprising principal and interest is liable to be considered for determining the pecuniary threshold under Section 4 of the Code. Accordingly, the amount in default in the present case is clearly above the statutory threshold prescribed under the Code.

Issue No. (iii): Whether there exists a default on the part of the Corporate Debtor in repayment of the said financial debt?

11. It is observed from the material available on record that the Corporate Debtor had availed a loan facility amounting to ₹1,00,00,000/- from the Applicant and had undertaken to repay the same in accordance with the

agreed repayment schedule. However, the Corporate Debtor failed to adhere to the repayment obligations under the loan arrangement and committed persistent defaults in payment of the outstanding dues. The statement of account and invoice-wise computation placed on record reflect that a sum of ₹1,33,27,816/- remained due and payable as on 10.10.2023, comprising principal outstanding along with accrued interest and other charges.

12. The Applicant thereafter initiated arbitration proceedings and the claim petition preferred by the Applicant/Financial Creditor came to be allowed vide Arbitral Award dated 25.05.2023 passed in Claim Petition No. 9153/2023, thereby affirming the liability of the Corporate Debtor towards the Applicant.
13. It is further observed that even subsequent to passing of the aforesaid Arbitral Award, the Corporate Debtor failed to pay the outstanding dues. Consequently, the Applicant/Financial Creditor issued a demand notice dated 14.10.2023 calling upon the Corporate Debtor to clear the outstanding liability. However, despite receipt of the said notice, no payment came to be made by the Corporate Debtor. Thereafter, the present Application under Section 7 of the Code came to be filed on 28.02.2024.
14. No material has been placed on record disputing the disbursement of the loan amount, execution of the loan documents, computation of the outstanding liability, communications regarding levy of penal charges, or the Arbitral Award dated 25.05.2023 passed in favour of the Applicant. Further, neither the communications nor the demand notice dated

14.10.2023 appear to have been challenged or rebutted at any stage. In the absence of any contest to the documentary evidence placed on record by the Applicant/Financial Creditor, this Adjudicating Authority is satisfied that the debt had become due and payable and that the Corporate Debtor committed default in repayment thereof within the meaning of Section 3(12)

Issue No.(iv): Whether the present Application has been filed within the prescribed period of limitation?

15. From the material available on record, it is observed that the date of default has been stated as 19.12.2022, being the date on which the outstanding amount became due and payable by the Corporate Debtor. The present Application has been filed on 28.02.2024, that is within a period of three years from the said date of default and is therefore well within the prescribed period of limitation.
16. Accordingly, this Adjudicating Authority is satisfied that the present Application has been filed within the limitation.
17. As per the above observations, it is clear that loan/credit facilities were availed by the corporate debtor from the financial creditor, and the corporate debtor has failed to repay the dues. The present petition was filed on 28.02.2024. The date of default stated by the Financial Creditor is 19.12.2022.

18. In view of the foregoing discussion, this Adjudicating Authority is satisfied that the Applicant has successfully established the existence of a financial debt and a default on the part of the Corporate Debtor.

19. For the aforesaid reasons and circumstances of the case, we are of the considered view that the present petition has been filed as per law, and the Financial Debt in question was not paid. In the result, the CP(IB) No. 87/Chd/HP/2024 is hereby admitted by initiating CIRP against the Corporate Debtor **M/s RVD Sales Private Limited** with the following directions:

(i) The moratorium under Section 14 of the Code is declared for prohibiting all of the following, in terms of Section 14(1) of the Code:

(a) The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor, including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;

(b) transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;

(c) any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

(d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

(ii) The Order of moratorium shall have effect from the date of this Order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of Section 31 or passes an order for the liquidation of the Corporate Debtor Company under Section 33 of the Insolvency & Bankruptcy Code, 2016, as the case may be.

(iii) Accordingly, in exercise of powers conferred under Section 13(1)(c) of the Code, this Adjudicating Authority hereby appoints Mr. Rajiv Bhambri, bearing Registration No. IBBI/IPA-002/IP-N00152/2017-18/10399, as the Interim Resolution Professional (IRP), as proposed by the Applicant/Financial Creditor. The written consent of the proposed IRP has been placed on record. It is further observed that no disciplinary proceedings are stated to be pending against the proposed IRP and that the Authorisation for Assignment ("AFA") is valid. The IRP shall take necessary steps for the conduct of the CIRP in accordance with the provisions of the Code and the Regulations framed thereunder.

(iv) The IRP shall perform all its functions as contemplated, inter alia, by sections 17, 18, 20 & 21 of the Insolvency and Bankruptcy Code, 2016. It is further made clear that all personnel connected with Corporate Debtor, its Promoter, or any other person associated with the management of the Corporate Debtor are under legal obligation under Section 19 of the Insolvency and Bankruptcy Code, 2016, to extend every assistance and co-operation to the IRP. Where any personnel of

the Corporate Debtor, its Promoter, or any other person, is required to assist or co-operate with the IRP, do not assist or co-operate, the IRP is at liberty to make an appropriate Application to this Adjudicating Authority with a prayer for passing an appropriate Order.

(v) The IRP shall make a public announcement of the initiation of the CIRP and call for submission of claims under Section 15 of the Code, as required by Section 13(1)(b) of the Code.

(vi) The supply of goods or services to the Corporate Debtor, if continuing, shall not be terminated, suspended, or interrupted during the moratorium period. The IRP shall be under a duty to protect and preserve the value of the property of the Corporate Debtor and manage the operations of the Corporate Debtor as a going concern as part of the obligation imposed by Section 20 of the Insolvency and Bankruptcy Code, 2016. The Financial Creditor is shall pay an advance of Rs. 2,00,000/- (Rupees two lakhs only) to the IRP within 2 (two) weeks from the date of receipt of this order for smooth conduct of the Corporate Insolvency Resolution Process, and the IRP is directed to file proof of receipt of such amount before this Adjudicating Authority along with the First Progress Report. Subsequently, the IRP may raise further demands for interim funds, which shall be provided as per the Rules.

(vii) The IRP shall also serve a copy of the public announcement of the initiation of the CIRP to the various departments, such as Income Tax, GST, State Trade Tax, and Provident Fund, etc. those who are likely to have their claim against Corporate Debtor as well as to the trade

unions/employees' associations, if any, so that they are timely informed about the initiation of CIRP against the Corporate Debtor.

(viii) The Registry shall communicate a copy of this Order to the Financial Creditor, Corporate Debtor, and the Interim Resolution Professional and the concerned Registrar of Companies, after completion of the necessary formalities, within seven working days, and upload the same on the website immediately after pronouncement of the Order.

20. Accordingly, **CP(IB) no. 87/Chd/HP/2024** is **allowed** and the Corporate Debtor, M/s RVD Sales Private Limited, is hereby **admitted** into Corporate Insolvency Resolution Process (CIRP).

21. List the CP(IB)No. 87/Chd/HP/2024 on 28.07.2026 and the IRP is directed to appraise this Adjudicating Authority about the action being taken from time to time by filing appropriate Application.

Sd/-

(SHISHIR AGARWAL)
Member (Technical)
Ruhani

Sd/-

(KHETRABASI BISWAL)
Member (Judicial)