NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI
ORDER SHEET OF THE HEARING ON 21st AUGUST 2026

IA(IBC)/72/GB/2026
In CP(IB)/26/GB/2025

Present: **1. Hon'ble Member (Judicial), Shri Rammurti Kushawaha**
2. Hon'ble Member (Technical), Shri Yogendra Kumar Singh

In the Matter of	UCO Bank Vs RMD Hotels & Resorts Private Limited
Under Section	U/s 7 of IBC, 2016

Appearances (via video conferencing/physically)

CP(IB)/26/GB/2025
For Petitioner (s) : Mr. Karan Borad, Adv. for UCO Bank

For Respondent (s) : Mr. Rakesh Dubey, Adv. for RMD Hotels & Resorts Private Limited

ORDER

CP(IB)/26/GB/2025 & IA(IBC)/72/GB/2026

Orders pronounced in open court *vide* separate sheets.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Shubham Tiwari (PS)

NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI

IA(IBC)/72/GB/2026
In Main
CP(IB)/26/GB/2025

An Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016.

In the matter of IA (IBC)/72/GB/2026:

RMD Hotels and Resorts Private Limited , a private company incorporated under the relevant provisions of the Companies Act, 2013, and having its registered office at C/o Hotel Rialto, near Flyover, G.N.B Road, Pan Bazar, Kamrup(M), Guwahati- 781001, Assam and being represented by its one of the directors namely, Mr. Ramen Deka.

...Applicant/ Corporate Debtor

-Versus-

UCO Bank, a banking company incorporated duly constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970, having its registered office at UCO Bank, 10, BTM Sarani, Brabourne Road, Kolkata – 700001, West Bengal and one of its branch office among others at UCO Bank, Fancy Bazar Branch, HB Road, Guwahati- 781001, Kamrup (m), Assam, being represented through its authorised office being Mr. Binod Kumar Singh

...Respondent/ Financial Creditor

-In Main-

A Petition under Section 7 of the Insolvency and Bankruptcy Code, 2016

In the matter of CP (IB)/26/GB/2025:

UCO Bank, a banking company duly constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970, having its registered head office at UCO Bank, 10, BTM Sarani, Brabourne Road, Kolkata-700001, West Bengal and a branch office among others at UCO Bank, Fancy Bazar Branch, HB Road, Guwahati-

781001, Kamrup (M), Assam, being represented through its authorized officer Mr. Binod Kumar Singh

…Petitioner/ Financial Creditor

-Versus-

M/s RMD Hotels and Resorts Private Limited, a private company duly incorporated under the relevant provisions of then Companies Act, 1956 and within the meaning of the Companies Act, 2013, having its registered office at C/o Hotel Rialto, Near Flyover, G.N.B. Road, Pan Bazar, Kamrup, Guwahati- 781001, Assam and being represented by its director

…Respondent/ Corporate Debtor

Coram:

Shri Rammurti Kushawaha	:	Member (Judicial)
Shri Yogendra Kumar Singh	:	Member (Technical)

Appearances (through video conferencing/physical):

For Petitioner	:	Mr. M. Sharma, Mr. K. Borad (Advs.)
For Respondent	:	Mr. R. Dubey, Ms. A.B. Kayastha (Advs.)

Order pronounced on: 21.08.2026

<u>As Per Bench</u>

<u>CP (IB)/26/GB/2025</u>

1. This Company Petition(“**CP**”) is filed by UCO Bank, Fancy Bazar Branch (“**Financial Creditor**”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“**Code**”) seeking initiation of the Corporate Insolvency Resolution Process (“**CIRP**”) against RMD Hotels and Resorts Pvt. Ltd. (“**Corporate Debtor**”) on account of non-payment of a financial debt amounting to Rs. 2,03,00,950.93/- (Rupees Two Crores Three Lakhs Nine

Hundred Fifty and Ninety-Three Paisa) including interest. The date of default is 15.03.2024. The Financial Creditor seeks the following relief:

a) *Admit the present application filed under Section 7 of the Code and be further pleased to initiate the CIRP against the Corporate Debtor, in accordance with law.*
b) *Declare that the Corporate Debtor is in default of an outstanding financial debt of Rs. 2,03,00,950.93/- (Rupees Two Crores Three Lakhs Nine Hundred Fifty and Ninety-Three Paisa only) as on 31.07.2025, together with further contractual interest, penal interest, costs and charges as applicable;*
c) *Direct the initiation of moratorium under Section 14 of the Code, and be further pleased to prohibit and restrain all suits, proceedings, recovery actions, enforcement of securities, and alienation or transfer of assets of the Corporate Debtor during the pendency of the CIRP;*
d) *Appoint a Resolution Professional as per the provisions of Section 16 of the Code, to take charge of the affairs of the Corporate Debtor and conduct the CIRP in terms of the Code and Rules framed thereunder;*
e) *Grant future interest on the outstanding debt amount, calculated from 01.08.2025 until the date of filing and submission of claim in the Resolution Process, at the contractual rate of interest agreed between the parties, and in the alternative, at such rate, as this Hon'ble Tribunal may deem fit and proper in the interest of justice;*
f) *Pass such other order(s), direction(s), or relief(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case, in the interest of justice, equity, and good conscience.*

2. **Submissions of the Financial Creditor:**

2.1. The Corporate Debtor is a company duly incorporated under the relevant provisions of the erstwhile Companies Act, 1956 and within the meaning of the Companies Act, 2013, having its registered office at C/o Hotel Rialto, near Flyover, G.N.B Road, Pan Bazar, Kamrup, Guwahati- 781001, Assam.

2.2. The Corporate Debtor is a public company, was incorporated on 28.10.2005, classified as Non-Governmental Company, having Corporate Identification Number ("**CIN**") U55101AS2005PTC007939, having authorized share capital of Rs.

1,15,00,000/- (Rupees One Crore Fifteen Lakhs) only and paid-up share capital of Rs. 1,11,00,000/- (Rupees One Crore Eleven Lakhs) only. Further, the Corporate Debtor was engaged in the business of hoteliers, hotel proprietors, hotel management, refreshment contractors and caterers, restaurant keepers, refreshment room proprietors, milk and snack bars proprietors, ice-cream merchants, confectionaries, wine and spirit merchants, blenders and bottles and to set up tourists' resorts and purchase and acquire lands and any other ancillary works, etc.

2.3. The Corporate Debtor approached the Applicant for financial assistance and, pursuant thereto, the Applicant Bank *vide* Sanction Letter dated 10.09.2007, initially sanctioned a mortgage loan facility of Rs. 15,83,000/- repayable in 84 months, secured by way of equitable mortgage over a parcel of land measuring 3.36 acres located at Sahar Guwahati Part-IV, District Kamrup (M), Assam, together with the building standing thereon, all being in the name of its director, Ramen Deka. A copy of the Sanction Letter dated 10.09.2007 is attached to the petition as "*Annexure A-6*".

2.4. Subsequently, in 2010, the Financial Creditor further extended financial facilities to the Corporate Debtor by sanctioning a cash credit facility of Rs. 13,00,000/- and a term loan of Rs. 50,00,000/- *vide* Sanction Letter dated 24.04.2010 for the purpose of construction and furnishing of the hotel premises. To secure the aforesaid enhanced facilities, the Corporate Debtor created charges by way of hypothecation over its stocks, goods in trade, furniture, fixtures, air conditioning plant, machinery, interiors, and receivables. Furthermore, the corporate borrower executed requisite hypothecation deeds, demand promissory notes, and agreements, while the equitable mortgage over the 3.36 acres of land stood extended in favour of the Applicant Bank. These charges were duly registered with the Registrar of Companies, thereby evidencing the enforceability of the Financial Creditor's security interest. A copy of the Sanction Letter dated 24.04.2010 is attached to the petition as "*Annexure A-9*".

2.5. Between 2011 and 2018, the Corporate Debtor continued to seek renewal and enhancement of its credit facilities. The cash credit facility was first enhanced to Rs. 20,00,000/- thereafter to Rs. 30,00,000/- and ultimately to Rs. 50,00,000/- *vide* Sanction Letter dated 30.03.2018. Each enhancement was accompanied by fresh sets of loan and security documents including Demand Promissory Notes, Waiver of Presentment, Deeds of Hypothecation, Undertakings and further Confirmation of Extension of Equitable Mortgage. In particular *vide* Term Loan documentation of 2010 and enhancements thereafter, the Corporate Debtor validly acknowledged its subsisting liability and created continuing securities. Copies of the Sanction Letters dated 22.12.2011, 30.12.2013, 17.09.2016, 01.11.2017, and 30.03.2018 are attached to the Petition as "*Annexure A-19*", "*Annexure A-20*" , "*Annexure A-22*", "*Annexure A-23* " and "*Annexure A-24(1)*" respectively.

2.6. In the year 2019, the Corporate Debtor once again approached the Financial Creditor for project finance. Upon due consideration, the Financial Creditor sanctioned a Project Term Loan of Rs. 2,30,00,000/- *vide* Sanction Letter dated 21.01.2019. In order to secure the directors of the Corporate Debtor executed Waiver of Presentment, Declaration, Undertaking, and further extended equitable mortgage by deposit of title deeds relating to several immovable properties namely—(i) 3.36 acres at Sahar Guwahati Part-IV, Kamrup (M); (ii) 2 Bigha 8.5 Lechas of land situated at village Digheli under Nalbari district; (iii) built-up portions (4th and 5th floors admeasuring 3400 sq. ft.) situated at Chilarai Nagar, Bhangagarh, Guwahati; and (iv) assignment of LIC policies valued at Rs. 11,24,000/-. Collectively, these securities were validly created in favour of the Financial Creditors to secure due repayment of the credit facilities. A copy of the Sanction Letter dated 21.01.2019 is attached to the Petition as "*Annexure A-32*".

2.7. It is submitted that the directors of the Corporate Debtor personally guaranteed the due repayment of the aforesaid loan facilities. By executing Deeds of Guarantees, the directors unequivocally and unconditionally guaranteed the repayment of all liabilities of the Corporate Debtor, thereby binding themselves jointly and severally with the Corporate Debtor to discharge the debt obligations owed to the Applicant Bank. Thus, the repayment obligations of the Corporate Debtor stand reinforced by collateral securities as well as by personal guarantees of its directors.

2.8. Despite the aforesaid facilities and repeated indulgences shown by the Financial Creditor , including the COVID-19 related rescheduling of repayment *vide* letter dated

09.11.2020 and restructuring by way of Funded Interest Term Loan ("**FITL**") scheme *vide* letter dated 31.05.2021, the Corporate Debtor continuously defaulted in its repayment obligations. Numerous requests and reminders issued by the Bank in 2021 went unheeded. Consequently, the bank was constrained to issue recall notices dated 21.04.2022, 01.01.2024 and 16.03.2024, calling upon the Corporate Debtor and its directors to clear their liabilities, the last recall demanding repayment of Rs. 1,73,36,729.29/-. The directors themselves had further executed acknowledgement of debt and balance confirmation dated 17.09.2022 admitting their outstanding liabilities towards the Bank. The directors of the Corporate Debtor signed and executed all necessary documents in favour of the Financial Creditor in respect to the said facilities availed by the Corporate Debtor. Copies of the Letter dated 31.05.2021, Recall Notices dated 21.04.2022, 01.01.2024, 16.03.2024, and Letter dated 17.09.2022 are annexed as "*Annexure A-40*", "*Annexure A-43*", "*Annexure A-45", "Annexure 45(1)"* and "*Annexure A-44*" respectively.

2.9. The date of default is 15.03.2024 when the Loan account nos. 00450510000380, 00450610009932, and 00450610012314 of the Corporate Debtor were classified as Non-Performing Asset ("**NPA**") by the Financial Creditor as per the RBI Rules and Guidelines due to non-renewal of loan facilities availed by the Corporate Debtor. Following this classification, the Financial Creditor issued various recall notices repayment of the outstanding dues. Despite the issuance of the said notices, there has been no response from the Corporate Debtor.

2.10. Additionally, due to failure to pay the outstanding dues by the Corporate Debtor and the Guarantors-Directors, the Financial Creditor as Applicant had also filed an Original Application bearing Diary No. 283/2025 before the Hon'ble Debts Recovery Tribunal ("**DRT**") at Guwahati against the Corporate Debtor, Personal Guarantors as Defendants for Recovery of Rs. 1,91,41,923.72/- only as on 14.03.2025 and the said application is pending for adjudication before the Hon'ble DRT, Guwahati

2.11. Notwithstanding the above, the Corporate Debtor and its guarantor-directors failed, neglected, and defaulted in making due repayment. As per the statement of accounts duly maintained in the ordinary course of banking business, the Corporate Debtor is in financial default of Rs. 2,03,00,950.93/- (Rupees Two Crores Three Lakhs Nine Hundred Fifty and Ninety-Three Paisa only) as on 31.07.2025, which stands due and payable to the Financial Creditor, over and above interest, costs and charges, till realization. The aforesaid financial debt is secured by valid mortgage, hypothecation of movables, assignment of receivables, and personal guarantees of the directors.

2.12. The Financial Creditor, UCO Bank, had filed the present Section 7 application for a default in repayment of the financial debt amounting to Rs. 2,03,00,950.93/- of Financial Debt for three different loan accounts in respect of loan availed by Corporate Debtor from UCO Bank, Fancy Bazar, Guwahati Main Branch, which are tabulated below:

Loan Account No.	**Principal Outstanding**	**Interest Outstanding**	**Penal Interest**	**Amount (INR) (as on 31.07.2025)**
00450510000380	5065230.61	754940.00	-	5820170.61
00450610009932	11091656.17	1874130.88	35803.12	13001590.17
00450610012314	1298290.15	180900.00	-	1479190.15
TOTAL	1,74,55,176.93	28,09,970.88	35,803.12	2,03,00,950.93

2.13. The Financial Creditor had proposed Purshotam Gaggar, bearing Registration No.: IBBI/IPA-001/IP-P00487/2017-2018/10875, as the Interim Resolution Professional ("**IRP**"). A copy of written communication in Form 2 obtained from the proposed Interim Resolution Professional in attached to the Petition as "*Annexure No. A-4*".

Descriptions of the Securities

2.14. **Schedule A:** Hypothecation of stock used for hotel business in the godown, shop, and in transit and hypothecation of book debts below 90 days.

2.15. **Schedule B:** Hypothecation of furniture's fixtures, AC plant, lift, machinery, interiors fixed, in the hotel and other moveable articles in the hotel as well as in the retiring rooms and purchased out of bank finance and company's one capital investment

2.16. **Schedule C:** Equitable mortgage of land and building measuring 3.36 acres comprised of Dag No. 409, K.P. Patta No. 45, situated at Revenue Village: Sahar, Guwahati, 4th Part under Mouza : Ulubari at Panbazar, P.O – Panbazar, P.S. – Panbazar, within Sub-Registrar's Office, Guwahati, in the district of Kamrup (M), Assam, standing in the name of Sri Ramen Deka, son of Late Ramesh Chandra Deka and bounded as follows:

North: Sushil Punjabi

South: Road

East: Hotel President

West: Binod Bihari Das Gupta

2.17. **Schedule D:** Extension of mortgage of land measuring 2 Bigha 8.5 Lechas covered by Dag No. 501 and K.P. Patta No. 240, situated at Village: Digheli, under Mouza: Khata, under Nalbari Revenue Circle in the District of Nalbari, Assam, in the name of Sri Ramen Deka, son of Late Ramesh Chandra Deka and bounded as follows:

North: Sushil Punjabi

South: Road

East: Hotel President

West: Binod Bihari Das Gupta

2.18. **Schedule E:** Extension of equitable mortgage of 4th and 5th floor in the building situated at Chilarai Nagar, Bhangagarh, Guwahati *vide* Dag No. 299(O). 1480(N), Patta No. 164 (O)/ 671(N) measuring 3400 sq. ft. (two floors) at Village: Ulubari, Mouza: Ulubari, Sub-Registry Office at Guwahati, in the name of Sri Ramen Deka and bounded as follows:

North: Sushil Punjabi

South: Road

East: Hotel President

West: Binod Bihari Das Gupta

IA (IBC)/72/GB/2026

3. The present Interlocutory Application ("**IA**") was filed by RMD Hotels and Resorts Pvt. Ltd. ("**Corporate Debtor**") under Section 60(5) of the Code read with Rule 11 of the National Company Law Tribunal Rules, 2016 against UCO Bank, Fancy Bazar branch ("**Financial Creditor**") seeking the following relief:
    a) *Dismiss the captioned Company Petition being C.P. (IB)/26/GB/2025 filed by the Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016, in limine as maintainable, misconceived, and an abuse of process;*
    b) *Hold that the Financial Creditor lacks proper authorization to institute and maintain the Company Petition, including the absence of valid Board Resolution, Power of Attorney, or competent delegation to Mr. Binod Kumar Singh;*
    c) *Declare the Company Petition defective, incomplete, and non-compliant with statutory requirements under the Bankers' Books Evidence Act, 1891, Information Technology Act, 2000, and Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016;*
    d) *Hold that the alleged default amount of Rs. 2,03,00,950.93/- does not meet the minimum threshold of Rs. 1,00,00,000/- under Section 4 of the I&B Code, 2016, after due adjustment of Rs. 1,30,00,000/- realized from sale of secured assets;*
    e) *Declare all SARFAESI actions initiated by the Respondent Bank void ab initio for non-compliance with Sections 13(2), 13(4), and related provisions of the SARFAESI Act, 2002, along with Security Interest (Enforcement) Rules, 2002, and RBI Guidelines;*
    f) *Take judicial notice of the pre-existing disputes and pendency of SARFAESI Applications (SA No. 76/2024 and SA No. 165/2024 before the Hon'ble Debt Recovery Tribunal, Guwahati, including the stay order dated 26.12.2024, constituting a statutory bar to the Company Petition;*
    g) *Reject the Respondent's reliance on the unauthenticated and contradictory NeSL Record of Default (Annexure A-49) for want of debtor authentication, discrepancies in quantum, and absence of intimation under IBBI (Information Utilities) Regulations, 2017;*

h) *Pass such other and further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.*

Submissions of the Corporate Debtor:

3.1. The Corporate Debtor is a private limited company duly constituted under the provisions of the erstwhile Companies Act, 1956 and now within the meaning of Companies Act, 2013 having its registered office at C/o Hotel Rialto, Near Flyover, GNB Road, Pan Bazar, Kamrup (M), Guwahati- 781001, Assam and being represented by one of its directors, namely, Ramen Deka. A copy of Board Resolution dated 24.03.2026 is attached to the IA as "*Annexure No. A*".

3.2. The Corporate Debtor submits that the Company Petition being 26 of 2025 filed by the Financial Creditor against it under Section 7 of the Code for initiation of CIRP is nothing but an abuse of process of law against the objective of the Code and hence, liable to be dismissed.

3.3. It is submitted Form-I (Application by Financial Creditor to initiate CIRP under Section 7 of the Code) has been signed by one Binod Kumar Singh. It is further submitted that the captioned Company Petition has been filed without Binod Kumar Singh, having the authority to initiate CIRP against the Corporate Debtor under Section 7 of the Code.

3.4. There is no Board Resolution or Power of Attorney granting authority to Binod Kumar Singh by the Financial Creditor to file the captioned proceedings or to sign any document relating to the proceedings before this Hon'ble Tribunal, as required under the law.

3.5. It is submitted that the letter of authority submitted by the Financial Creditor does not specify the account in respect of which the authority is granted or name of the Corporate Debtor. The letter of authority dated 04.08.2025 granted in favour of Binod Kumar Singh by Mukesh Kumar Singh to "*file of cases in NCLT, DRT Guwahati & Civil Courts, etc. and to do all other acts and things necessary for the pursuit of the legal formalities on behalf of the Bank*". Additionally, it is submitted that the aforesaid letter bears a signature of "Dy. Zonal Head, Zonal Office, Guwahati". A copy of the Authority Letter is attached to the main Petition as "*Annexure A-1*".

3.6. It is submitted that the letter of authority dated 04.08.2025 is invalid and non-est in the eyes of law. The aforesaid document is not an authorization by the Board of Directors of the Financial Creditor authorizing Binod Kumar Singh to initiate CIRP of the Corporate Debtor nor is a resolution authorizing hum to file the captioned legal proceeding. Further, there is no Board Resolution evidencing the authority that the Dy. Zonal Head signing the document, had the authority of delegate Binod Kumar Singh to initiate CIRP of the Corporate Debtor and to file the captioned proceedings under Section 7 of the Code. The Financial Creditor is a banking institution where decision can be taken only by the Directors running it and hence every such decision of initiating insolvency or legal proceedings is required to be taken by its Board of Directors. There can be no valid representation of the Financial Creditor unless the same is backed by a resolution proving that the Board of Directors took such a decision in the board meeting and passed a resolution evidencing the decision. A letter of authority dated 04.08.2025 such as the one annexed with the Petition is neither reflective of the Dy. Zonal Head having been authorized to initiate such legal action nor has the Manager by way of legally valid document authorized Binod Kumar Singh to initiate the proceedings such as by Power of Attorney. Hence, the very institution of the Company Petition is marred with inherent infirmity.

3.7. It is submitted that a letter of authority is a flimsy document which can be issued by any officer without being in the knowledge of the Board of Directors or Key Managerial Personnel. The aforesaid letter of authority can become a tool for miscreants to act in excess of their duties and functions without binding the company if it is treated as a valid authority. Hence, the petition cannot be maintained in the absence of a legally valid authorization in favour of Binod Kumar Singh as on the date of filing the Petition.

3.8. It is submitted that the captioned petition is incomplete, defective, and replete with false details and thus, deserves to be dismissed. It is further submitted that the Financial Creditor has failed to explain the working of computation of claim and the basis arriving at the amount of Rs. 2,03,00,950.93/- as to the amount claimed to be in default with specific documentation.

3.9. It is submitted that the claimed Interest Calculation Sheet attached to the captioned petition is not a genuine interest calculation sheet. It merely presents a table displaying the Principal Outstanding, Interest Outstanding, Interest Outstanding, Penal Interest, and Total Balance as on 31.07.2025. No proper calculations or bifurcation are provided to demonstrate how the Financial Creditor arrived at these figures. A copy of the interest calculation sheet is annexed to the IA as "*Annexure No. A-3*".

3.10. It is submitted that the Financial Creditor has indulged in forum shopping and multiplicity of proceedings by initiating multiple cases in multiple for the same subject matter. The conduct of the Financial Creditor has been highlighted as they have been using the legal proceedings to arm twist the Corporate Debtor to seek unjustified payments from the Applicant by wrongfully approaching various forums and thereby abusing the process of law. The Financial Creditor had already filed an Original Application under Section 19 of The Recovery of Debts and Bankruptcy Act, 1993 ("**the RDB Act**") against the Corporate Debtor with respect to the alleged debt before proceeding with the captioned company petition. The present captioned company petition is barred by law and indulges in forum shopping and multiplicity of proceedings on the same subject matter with the mala-fide intention to harass and extort monies from the Respondent.

3.11. It is submitted that the conduct of the Financial Creditor in instituting insolvency proceedings against the Corporate Debtor without exhausting available alternative statutory remedies amounts to a blatant abuse of process and a gross misutilization of the Code as a mere debt recovery tool. The insolvency framework envisaged under the Code is a drastic and extraordinary remedy designed to be a last resort and to be invoked only after all avenues of amicable and statutory resolution have been thoroughly explored and exhausted. However, the Financial Creditor, by bypassing the well-established restructuring frameworks mandated by the Reserve Bank of India, has flagrantly disregarded its legal duty and lost sight of the larger public policy objective of preserving viability.

3.12. It is submitted that a National e-Governances Services Limited ("**NeSL**") Report in the form of a record of default is deemed to be authenticated only if the information contained therein is digitally authenticated or otherwise acknowledged by the debtor. In the present case the Corporate Debtor has neither authenticated nor accepted the Record of Default placed on record by the Financial Creditor which fundamentally undermines its evidentiary value and probative weight. The intimation to the NeSL was only made on 28.02.2025 by the Financial Creditor. A copy of this NeSL Report is attached as "*Annexure A-49*" to the main Petition.

3.13. Further, there exists a substantial discrepancy between the amount reflected in the NeSL Record of Default and the amount claimed by the Financial Creditor in the captioned petition. This glaring inconsistency exposes a fatal contradiction which vitiates the entire claim *qua* quantum of default. The NeSL report cannot be treated as a conclusive or exclusive document to establish the quantum of debt, particularly when it stands squarely contradicted by the pleadings in the main petition and has not been authenticated by the Corporate Debtor.

3.14. Further, the Corporate Debtor had never received any email or electronic communication from the NeSL department or from the Financial Creditor regarding the authentication or verification of any NeSL entry. In the absence of any such intimation, the purported NeSL record of financial information has been mechanically treated as authenticated, which is contrary to the regulatory scheme and the requirement of informed consent. Moreover, there is no proof attached to the captioned petition to demonstrate that any intimation was actually sent to the Corporate Debtor in this regard.

3.15. The Financial Creditor has likewise failed to reconcile and corroborate the asserted default amount with contemporaneous documentary evidence, including payment records, bank statements, and documentary proof of partial repayments and bona fide commercial dealings between the parties. The NeSL reporting mechanism is designed as an Information Utility to facilitate the insolvency resolution process and to provide a platform for the recording and storing of financial information. However, it does not substitute or dispense with the fundamental evidentiary requirements under the Insolvency and Bankruptcy Code, 2016, nor does it obviate the necessity of strict proof of the existence and quantum of debt and default.

3.16. It is submitted that reliance on unauthenticated and internally contradictory record of default to substantiate the alleged default is legally unsustainable and impermissible in law. The entire claim is fraught with inconsistencies in the claimed amount, unverified discrepancies with the NeSL record and serious procedural infirmities in the manner in which the NeSL record has been treated as authenticated without any intimation or acknowledgement by the Corporate Debtor. It is prayed that this Hon'ble Tribunal reject the reliance on this aforesaid record of default in its entirety, hold the claim to be deficient and unproven, and dismiss the captioned Company Petition with exemplary costs.

3.17. It is submitted that the Financial Creditor has palpably failed to comply with the mandatory statutory requirements under the Bankers' Books Evidence Act, 1891, which is critical to establishing the evidentiary foundation of any banking records tendered in legal proceedings. It is a statutory imperative that a certified copy of entries made in a bank's books, including statement of accounts, interest calculations, penal interests, and charges be accompanied by a certificate from the principal accountant or manager of the Financial Creditor, affirming the authenticity, accuracy, and correctness of such entries as true copies of the original records maintained under the usual and ordinary course of business. Further, the Financial Creditor has wholly omitted to annex any certificate or declaration under the Information Technology Act, 2000, which mandates the authentication of electronic records, thereby rendering the digital account statements liable to be inadmissible for lack of proper statutory certification. It has been consistently held that no person can be saddled with financial liability merely on the basis of unauthenticated and uncertified ledger entries or computer printouts that fail statutory muster under the aforementioned two acts.

3.18. Furthermore, the Financial Creditor has grievously failed to annex the complete Statement of Account reflecting the loan ledger, along with a detailed interest calculation sheet that transparently discloses the rate of interest, penal interest, and penal charges applied, and explicates the methodology adopted for arriving at the default amount of Rs. 2,03,00,950.93/-. Such omissions are not mere procedural lapses but a fundamental breach of the settled evidentiary standards that govern banking evidence before judicial bodies. The absence of these certificates and documentary clarity severely prejudices the Corporate Debtor's right to confront and challenge the Financial Creditor's claim and strikes at the very heart of natural justice.

3.19. It is denied that the claim amount of Rs. 2,03,00,950.93/- meets the minimum threshold limit of Rs. 1,00,00,000/- prescribed under Section 4 of the Code to initiate CIRP. It is asserted that the aforesaid claim stands grossly inflated, unsubstantiated, and inadmissible. The Financial Creditor has already sold the mortgaged property of the Corporate Debtor and realized Rs. 1,30,00,000/- therefrom, yet it has failed to credit this sum against the alleged claim, falling substantially below the statutory threshold. This suppression of realization and non-adjustment shows mala fide intent to abuse the corporate insolvency resolution process, rendering the Application non-maintainable and liable for dismissal in limine.

3.20. It is further submitted that all actions initiated by the Respondent Bank under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**") stand void ab initio for patent non-compliance with mandatory statutory safeguards, thereby extinguishing any foundational debt or default capable of sustaining the present Section 7 petition under the Code. Specifically, the Financial Creditor failed to issue a valid notice under Section 13(2) of the SARFAESI Act, quantifying the exact default amount with particulars of the borrower's account, supported by verifiable financial statements and a 60-day cure period, rendering the subsequent measures of possession, valuation, and auction under the provisions of the SARFAESI Application fundamentally defective or inoperative. The purported sale of the Corporate Debtor's mortgaged property, realizing Rs. 1,30,00,000/- proceeded without following due process of law as enshrined under the SARFAESI Act, 2002 read with Security Interest (Enforcement) Rules, 2002. These cumulative infirmities absence of symbolic possession notice and non-adherence to RBI Guidelines on vitiate the entire SARFAESI process as null and void, precluding the Financial Creditor from appropriating sale proceeds or claiming any adjusted default. Consequently, the alleged claim of Rs. 2,03,00,950.93/- collapses entirely, falling below the Rs. 1,00,00,000/- threshold under Section 4 of the

Code and the petition being predicated on an illusory and legally obliterated debt merits summary dismissal in limine with exemplary costs to deter such procedural malfeasance.

3.21. It is further submitted that a bonafide pre-existing dispute subsists between the parties, unequivocally disentitling the Financial Creditor from invoking the Code. The Corporate Debtor has instituted two SARFAESI Applications, namely, SA No. 76/2024 and SA No. 165/2024, before the Hon'ble DRT, Guwahati, on 10.07.2024 and 19.12.2024 respectively, challenging the Financial Creditor's arbitrary and illegal actions under the SARFAESI Act including wrongful measures of possession, valuation, and sale of secured assets. Crucially, the Hon'ble DRT *vide* its reasoned order dated 26.12.2024 has stayed the confirmation of sale of the secured assets, thereby expressly preserving the status quo and adjudicating the very debt, default, and security enforcement that forms the substratum of the present Section 7 petition. This pendency of SARFAESI proceedings before the specialized DRT forum, coupled with the interim stay operating in favour of the Corporate Debtor, constitutes a complete statutory bar to parallel proceedings under the Code, foreclosing any pretense of undisputed debt. The Corporate Debtor's attempt to circumvent the DRT's jurisdiction through forum shopping not only abuses process but flouts the legislative scheme demarcating SARFAESI as the primary remedy for secured creditors and the aforesaid SARFAESI Applications are still pending for adjudication before the Hon'ble DRT rendering the petition non-maintainable and liable for dismissal in limine with exemplary costs. Copies of the SARFAESI Application being SA No. 165 of 2024 and order dated 26.12.2024 have been annexed to the IA as "*Annexure No. A-2*" and "*Annexure No. A-1*" respectively.

3.22. Therefore, in view of foregoing submissions, it is submitted that the captioned petition is misconceived, vexatious, devoid of any merit and not maintainable in law, warranting dismissal with utmost urgency. Allowing this petition would not only amount to grave miscarriage of justice but also establish a perilous precedent where unscrupulous parties are emboldened to overreach their bounds and misuse the judicial process for extraneous purposes.

4. Having heard the parties and perused the pleadings and documents on record, the following issues arise for determination:
   i. Whether the Petition is liable to be dismissed for want of valid authorisation in favour of the signatory of Form-I?
   ii. Whether non-compliance with the Bankers' Books Evidence Act, 1891 and the Information Technology Act, 2000 is fatal to the Petition at the stage of admission?
   iii. Whether the alleged pendency of disputes under the SARFAESI Act before the DRT constitutes a bar to the maintainability of an application under Section 7 of the Code?
   iv. Whether the NeSL Record of Default is indispensable to establish default under Section 7?
   v. Whether the default amount, on a true computation, meets the threshold of Rs. 1,00,00,000/- prescribed under Section 4 of the Code?
   vi. Whether the Financial Creditor has established the existence of a financial debt and default in terms of Sections 3(11), 5(8) and 7 of the Code?
   vii. Whether the proposed Resolution Professional is qualified under the Code?

FINDINGS AND ANALYSIS

5. **Whether the Petition is liable to be dismissed for want of valid authorisation in favour of the signatory of Form-I?**

   It is taken on record that a Letter of Authority dated 04.08.2025 issued by the Dy. Zonal Head, Zonal Office, Guwahati, authorised Binod Kumar Singh to institute and pursue proceedings before this Tribunal, the DRT and Civil Courts on behalf of the Bank. Banks customarily act through such internally delegated authorizations issued in the ordinary course of business, and the objection that the delegation ought to have been traceable to a specific Board Resolution for the specific account is a technical objection that is not expressly supported by the Code and corresponding rules. Section 7 of the Code in itself does not contemplate any rigid requirements that every application must be preceded by a specific Board Resolution naming the individual signatory, particularly when the Financial Creditor is a nationalized bank functioning through a hierarchy of delegated officers. This Tribunal is not inclined to prescribe such a requirement in the absence of any statutory mandate, and the objection, being merely technical rather than going into the root of the matter, does not survive scrutiny. This objection accordingly does not warrant dismissal of the Petition *in limine*.

6. **Whether non-compliance with the Bankers' Books Evidence Act, 1891 and the Information Technology Act, 2000 is fatal to the Petition at the stage of admission?**
The requirements of certification under Section 2A of the Bankers' Books Evidence Act, 1891, Section 65B of the Information Technology Act, 2000 and Section 63 of the Bharatiya Sakshya Adhiniyam, 2023 (Section 65B of the erstwhile Evidence Act) refer to the mode of proof of electronic banking records at the stage of trial. However, they are not a ground for dismissal of a Section 7 application at the threshold. At this stage, this Tribunal is only required to satisfy itself of the existence of a financial debt and default on the material placed on record, which may include sanction letters, statements of account, and admissions of the Corporate Debtor itself, such as the Acknowledgement of Debt and Balance Confirmation dated 17.09.2022 executed by the directors. In the present case, the absence of a formal certificate is an irregularity that can be cured and does not detract from the overwhelming documentary trail of sanction, disbursement, creation of securities, restructuring (including the COVID relief dated 09.11.2020 and the FITL restructuring dated 31.05.2021), and admitted default. This objection is accordingly rejected as a ground for dismissal, without prejudice to the Corporate Debtor's right to contest the correctness of specific entries before the Resolution Professional at the stage of collation of claims.

7. **Whether the alleged pendency of disputes under the SARFAESI Act before the DRT constitutes a bar to the maintainability of an application under Section 7 of the Code?**
With respect to the objection raised on account of a "pre-existing dispute", it is important to note that "pre-existing disputes" as interpreted under Section 9 of the Code has no direct application to a petition under Section 7. At this stage, this Tribunal is only required to determine whether a financial debt is due and whether default has occurred. It is not concerned with adjudicating the existence of parallel proceedings as a bar to the instant proceedings. It is well settled that recovery proceedings under the SARFAESI Act, the RDB Act and insolvency proceedings under Section 7 of the Code operate in different

fields and may proceed simultaneously. At best, the pendency of SA No. 76/2024, SA No. 165/2024, and the interim order dated 26.12.2024 staying the confirmation of sale bears upon the quantum available for adjustment and does not solely oust the jurisdiction of this Tribunal under Section 7. Thus, this objection is rejected.

8. **Whether the NeSL Record of Default is indispensable to establish default under Section 7?**

   It is to be noted that Section 7(3)(a) of the Code requires a Financial Creditor to furnish the record of default recorded with an Information Utility "or such other record or evidence of default as may be specified" along with the application. The provision is disjunctive and does not render the NeSL record the sole and indispensable mode of proof. Even without assuming the objections raised pertaining to the record of default, the Financial Creditor has placed on record sanction letters, recall notices dated 21.04.2022, 01.01.2024, and 16.03.2024, and crucially, the Balance Confirmation dated 17.09.2022 signed by the directors of the Corporate Debtor themselves acknowledging the outstanding liability. Such acknowledgement independently satisfies the requirement of establishing debt and default under Section 7. This objection is also rejected though the Financial Creditor would be well advised to ensure that any discrepancy between the NeSL entry and the pleaded quantum is reconciled at the earliest for the sake of clarity in the CIRP claims process.

9. **Whether the default amount, on a true computation, meets the threshold of Rs. 1,00,00,000/- prescribed under Section 4 of the Code?**

   The Corporate Debtor's contention that Rs. 1,30,00,000/- realized from the sale of secured assets ought to be adjusted against the claimed default of Rs. 2,03,00,950.93/-, thereby bringing the residual default (approximately Rs. 73,00,950.93/-) below the statutory threshold of Rs. 1,00,00,000/-, turns entirely on whether the realization can, at this stage, be treated as a final and appropriated credit against the loan accounts. Firstly, the Corporate Debtor has not placed on record the date on which the alleged sum of Rs. 1,30,00,000/- was realized. The threshold under Section 4 of the Code, read with the definition of "default" under Section 3(12) falls to be assessed with reference to the debt due and payable as on the date of default, i.e. 15.03.2024 being the date of NPA classification. It is not assessed with reference to sums realized, if at all, at some indeterminate later point in time. In the absence of any pleaded or evidenced date of sale or realization, the Corporate Debtor has failed to demonstrate that the sum of Rs. 1,30,00,000/- even if realized, was realized prior to the date of default and for this reason, the adjustment claimed cannot be countenanced at the threshold stage. Even if the realization were shown to arise from the Hotel Rialto sale and to predate the relevant date, the Corporate Debtor's own case, as pleaded in the very same IA, is that the underlying SARFAESI sale is void ab initio for non-compliance with Section 13(2) and 13(4) of the SARFAESI Act. A sale whose validity is under challenge at the instance of the Corporate Debtor cannot simultaneously be treated by the very same party as a concluded realization available for set-off against its liability as the two positions are mutually destructive. Until the SARFAESI proceedings before the DRT attain finality, any such realization remains sub judice and cannot be treated as appropriated towards the loan accounts for the purpose of computing default under Section 4. The threshold must therefore be assessed on the sum pleaded and evidenced in the Petition, Rs. 2,03,00,950.93/-, which is well in excess of the threshold of Rs. 1,00,00,000/-. Thus, the present objection to maintainability is rejected.

10. **Whether the Financial Creditor has established the existence of a financial debt and default in terms of Sections 3(11), 5(8) and 7 of the Code?**

Most importantly, with regards to the existence of financial debt and default in the present case, on a conjoint reading of the sanction letters dated 10.09.2007, 24.04.2010, 22.12.2011, 30.12.2013, 17.09.2016, 01.11.2017, 30.03.2018, and 21.01.2019, the hypothecation and mortgage documentation, the restructuring correspondence of 2020-2021, the recall notices, and the Balance Confirmation dated 17.09.2022, this Tribunal is satisfied that a financial debt within the meaning of Section 5(8) of the Code was disbursed to the Corporate Debtor against the consideration for time value of money and that default within the meaning of Section 3(12) of the Code occurred on 15.03.2024 upon classification of loan accounts as NPA. That default continues and is admitted in substance by the conduct and correspondence of the Corporate Debtor. The application is complete in Form-I and no infirmity going to the maintainability of the Petition has been made out that survives the analysis above.

11. **Whether the proposed Resolution Professional is qualified under the Code?**
With regards to determining whether the proposed Resolution Professional is qualified to be appointed as an RP, it is taken on record that written communication by the Proposed Interim Resolution Professional has been attached with the main CP in Form 2 under Rule 9 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 wherein he has attested himself that there are no disciplinary proceedings pending against him with the Board or Indian Institute of Insolvency Professional of ICAI (IIPI). A copy of the Form 2 is attached to the main Petition as "*Annexure A-4*".

12. Moving ahead, as per Section 7 of the Code, the Adjudicating Authority is required to satisfy itself on the following three grounds only while admitting a petition under Section 7 of the Code;
    i. a financial debt exists, and default exceeding Rs. 1 crore has occurred in respect of the debt owed to the Applicant
    ii. that the Application is complete in all respects; and
    iii. That the proposed Resolution Professional is not disqualified from being appointed as an RP.

As recorded above in our analysis, these three conditions have been satisfied. Hence, the present petition deserves to be admitted.

ORDER

1. Due to the aforementioned reasons discussed above, we are inclined to **ADMIT** the present petition bearing number **CP(IB)/26/GB/2025** filed under Section 7 of the Code and pass the following order:
    i. It is hereby declared that the Corporate Debtor, RMD Hotels and Resorts Pvt. Lts. Is in default of a financial debt of Rs. 2,03,00,950.93/- (Rupees Two Crores Three Lakhs Nine Hundred Fifty and Ninety-Three Paisa only) as on 31.07.2025, together with further interest and charges as may be admissible in accordance with law, subject to verification and collation by the Interim

Resolution Professional in the course of CIRP. The commencement of the CIRP shall be effective from the date of this order.

ii. As a consequence thereof, the petition being admitted in terms of Section 7 of the Code, the moratorium as envisaged under the provisions of Section 14(1) of the Code shall follow in relation to the Corporate Debtor as per clauses (a) to (d). The order of moratorium shall 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 Liquidation of Corporate Debtor under Section 31 of the Code, as the case may be.

iii. The Financial Creditor has proposed the name of Mr. Purshotam Gaggar as the IRP at Part III of Form I (Application by Financial Creditor to Initiate Corporate Insolvency Resolution Process under Chapter II of Part II of the Code), the written consent in Form 2 as required under Rule 9 (1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 is attached as "*Annexure A-4*" to the main Petition. The authorisation for assignment (AFA) is valid till 30.06.2026,

Accordingly, this Adjudicating Authority appoints Mr. Purshotam Gaggar as the Interim Resolution Professional. The details of this IRP are provided below:

Name: Mr Purshotam Gaggar

Registration No.: IBBI/IPA-001/IP-P00487/2017-18/10875

Email: purshotamgaggar@hotmail.com

Address: P.Gaggar & Associates, 3rd Floor, Advika Building, Opposite Sukreshwar Ghat Garden, M.G.Road, Panbazar, Guwahati- 781001, Assam

iv. In pursuance of Section 13 (2) of the IBC, 2016, we direct the IRP to make public announcement immediately with regard to the admission of this application under Section 7 of the Code. The expression immediately means within three days as clarified by the Explanation to Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

v. During the CIRP period, the management of the Corporate Debtor shall vest in the IRP/RP and shall perform all his functions as contemplated, inter-alia, under sections 17, 18, 20 and 25 of the Code. It is further made clear that all personnel connected with the corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP/RP. Where any personnel of the corporate debtor, its promoters, or any other person required to assist or cooperate with IRP/RP, do not assist or cooperate, the IRP/RP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

vi. The IRP is expected to take full charge of the Corporate Debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.

vii. The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor and the action taken in compliance of Section 17, 18, 20, 25 of the Code and Regulation 3A & 4 of the IBBI (CIRP) Regulations, 2016.

viii. The Financial Creditor shall deposit a sum of Rs. 65,000/- (Rupees Sixty-Five Thousand Only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to the approval of the Committee of Creditor (CoC). This amount shall be adjusted towards the fees and expenses payable to the IRP/RP.

ix. The Registry is directed to send e-mail copies of the order forthwith to all the parties inclusive of the Counsels.

x. The registry is further directed to send a copy of the order to the IBBI for their record.

xi. The IRP shall also serve a copy of this order to the various departments such as Income Tax, GST (Centre), State Trade Tax, Provident Fund, etc. who are likely to have their claim against the Corporate Debtor as well as to the trade unions/employees associations so that they are informed timely initiation of CIRP against the Corporate Debtor timely.

2. Since main C.P. has been admitted, therefore, in light of the observations made in CP(IB)/26/GB/2025, the IA (IBC)/72/GB/2026 filed by RMD Hotels and Resorts Pvt. Ltd. stands **DISMISSED**, and **DISPOSED OF**.
3. Urgent certified copy of this order, if applied for, be issued upon compliance with all requisite formalities.
4. File be consigned to records.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Signed this on 21st day of August, 2026

Madona Barman (LRA)