**NATIONAL COMPANY LAW APPELLATE TRIBUNAL,**
**PRINCIPAL BENCH, NEW DELHI**

**Company Appeal (AT) (Insolvency) No.94 of 2026**

[Arising out of Order dated 12.01.2026 passed by the Adjudicating Authority (National Company Law Tribunal), Principal Bench, New Delhi Bench in CP (IB) No. 276/ND/2025]

**In the matter of:**

**Raj Singh Gehlot,** **...Appellant**
**Suspended Director of Aman Hospitality Private Limited**

**Vs.**

**Anup Kumar, IRP of Aman Hospitality Private Limited and Anr.** **...Respondents**

| | |
|---|---|
| **For Appellant:** | **Dr. A. M. Singhvi, Sr. Adv. & Dr. U.K. Choudhary, Sr. Adv. with Mr. Anush Rajan, Mr. Mansumer, Mr. Pradyumn Yadav, Adv.** |
| **For Respondents:** | **Mr. K. Datta, Sr. Adv. with Mr. Ashish Verma, Adv. for R1** |
| | **Mr. Sumant Batra, Seema Gupta, Sarthak Bhandari, Riya Kaur Arora, Adv. for PSB Mr. Ashish Verma, Mr. Nikhil Thakur, Adv. for BOI** |
| | **Mr. Amit Prakash, Adv. for IRP & Anup Kumar, IRP in person** |
| | **Mr. Sumesh Dhawan, Kyhati Khemka, Adv. for BOI** |
| | **Mr. Harsh Gurbani, Harshit Chaudhary, Adv.** |

**J U D G M E N T**

**(22nd January, 2026)**

**Ashok Bhushan, J.**

This Appeal by a Suspended Director of the Corporate Debtor- M/s Aman Hospitality Private Limited has been filed challenging the order dated

12.01.2026 passed by the Adjudicating Authority (National Company Law Tribunal) Principal Bench, New Delhi admitting Section 7 application filed by the Bank of India. Aggrieved by the order, this Appeal was filed on the next date i.e. 13.01.2026. On 14.01.2026, Appeal was heard by this Tribunal and hearing was completed and orders reserved. This Tribunal directed IRP not to take any further steps till the delivery of the order.

2. Brief facts of the case necessary to be noticed for deciding the Appeal are:-

2.1. The Bank of India sanctioned financial facilities in the year 2010. A term loan of Rs.100 Cr. to the Corporate Debtor for part-financing the construction of a Five Star Hotel at Plot No.1, CBD, Shahdara, Delhi. Rs.95 Crores were disbursed. Additional amount of Rs.38 Crore was sanctioned. The loan facility was part of a consortium banking arrangement. Jammu & Kashmir Bank being lead Bank. On there being default on the part of the Corporate Debtor, Banks in consortium implemented a Strategic Debt Restructuring (SDR) plan. To execute the SDR, the lenders agreed to convert their loan into equity. The Financial Creditor declared the account of Corporate Debtor as NPA on 31.03.2018. A recall Notice dated 22.05.2020 under Section 13(2) of the SARFAESI Act, 2002, demanding repayment of INR 71.35 crores was issued. The Financial Creditor filed an application under Section 19 of the RDDB&FI Act before the Debts Recovery Tribunal-11, New Delhi, bearing OA No. 258/2021, seeking recovery of INR 71.44 crores along with interest. Multiple one-time settlement proposals (OTS) were given by the Corporate Debtor which were either rejected or not accepted for one reason or

the other. Section 7 application was filed by the Bank of India on 08.05.2025 claiming total amount in default as on 31.03.2025 as Rs.119,00,94,695.68/. Adjudicating Authority on 22.07.2025 issued notice to the Corporate Debtor. Corporate Debtor appeared and filed the reply dated 22.08.2025. Rejoinder to the reply was also filed by the Financial Creditor. During pendency of the proceeding, settlement proposal was given of Rs.81 Crore which was not accepted by the Financial Creditor. An IA No.5853 of 2025 was filed by the Appellant dated 27.11.2025 seeking dismissal of Section 7 application. On 01.12.2025, the Adjudicating Authority after hearing the parties directed to file short notes before 10.12.2025. On 10.12.2025, application came for consideration where the Adjudicating Authority noticed that petitioner has filed short notes and same is available on record. Counsel for the Corporate Debtor stated that written submissions have already been filed but the same was in defect. Counsel for the Corporate Debtor was granted permission to take steps to cure the defects and to bring on record by 11.12.2025 subject to payment of cost of Rs.24,000/- to be deposited in Prime Minister's National Relief Fund. Arguments were heard. Order reserved on IA No.5853 of 2025, by consent matter was directed to be listed on 20.01.2026.

2.2. After the matter was reserved on 10.12.2025 in Section 7 application, the Corporate Debtor filed an application being IA No.21 of 2026 on 24.12.2025. By IA No.21 of 2026, Corporate Debtor sought to deposit demand draft no.156901 dated 24.10.2025 for an amount of Rs. 119,00,94,695.68/- in favour of Registrar, National Company Law Tribunal and prayed for recall of the order dated 10.12.2025. The application was mentioned on 05.01.2026

after court vacation and which was listed for hearing on 07.01.2026. On 07.01.2026, the Adjudicating Authority issued notice in IA No.21 of 2026 and adjourned the matter for consideration on 02.02.2026. On 09.01.2026, cause list for 12.01.2026 was released fixing the matter for pronouncement of the order in Section 7 petition. Corporate Debtor's counsel on 12.01.2026 at 8:27 AM sent an e-mail to the Registrar informing that in IA No.21 of 2026 Corporate Debtor has sought leave of the Tribunal to deposit the entire amount as claimed by the Financial Creditor in petition by way of demand draft which application is pending consideration and matter has been fixed for further consideration on 02.02.2026. Counsel intimated that it appears that there is some error in the cause list and the message be placed before the Hon'ble Bench.

2.3. On 12.01.2026, the Adjudicating Authority pronounced the order in Section 7 petition admitting Section 7 application and appointing Respondent No.2 as IRP. The present Appeal was presented in this Tribunal on 13.01.2026, the very next date and matter was heard on 14.01.2026 and on 14.01.2026, following order was passed:-

> *"**14.01.2026:** Heard Ld. Counsel for the Appellant as well as Ld. Counsel for the Bank of India. Ld. Counsel for the IRP is also present. We have heard the parties extensively. Ld. Counsel for the IRP submits that publication has already been made in pursuance of the impugned order. We have also heard Mr. Sumant Batra, Adv. for Punjab & Sindh Bank. Orders reserved. Both the parties are directed to file their shorts notes of submissions in not more than*

*three pages by 16.01.2026. IRP shall not take any further steps till the delivery of the orders."*

3. We have heard Dr. A. M. Singhvi and Dr. U.K. Choudhary, Learned Senior Counsel for the Appellant and Shri Krishnendu Datta, Learned Senior Counsel for the Respondent No.1, Shri Sumesh Dhawan, Learned Counsel for the Bank of India and Shri Sumant Batra, Learned Counsel for Punjab and Sind Bank and intervenor.

4. Learned Counsel for the Appellant challenging the order admitting Section 7 application submits that when the Appellant has filed an IA No.21 of 2026 on 24.12.2025 offering to deposit the entire amount as claimed in Section 7 application i.e. Rs. 119,00,94,695.68/- and payment order in the name of Registrar, NCLT was annexed along with the application which application was listed before the Adjudicating Authority on 07.01.2026 and notices were issued on 07.01.2026 and adjourned the matter for further consideration on 02.02.2026, Adjudicating Authority ought not to have admitted Section 7 application without considering the application along with which Appellant offered to deposit the entire amount. It is submitted that in the application IA No.21 of 2026, the Corporate Debtor sought permission of the Tribunal to deposit the entire purported Form-1 amount of Rs. 119,00,94,695.68/- with direction to NCLT to keep the amount in the interest bearing account and submission be allowed to be raised by the Corporate Debtor on merits of the case for determination the actual legitimate estimate debt owed to the Bank. It is submitted that the Corporate Debtor is a solvent company to prove its solvency has already deposited the amount by payment order. There was no occasion for admitting the Corporate Debtor in

insolvency. It is submitted that even after the Adjudicating Authority reserved the judgment on 10.12.2024 any subsequent events which is relevant for passing an order under Section 7 can be looked into and considered by the Adjudicating Authority and the application which was filed by the Corporate Debtor i.e. IA No.21 of 2026 was entertained and notices having issued by the Adjudicating Authority on 07.01.2026 fixing next date as 02.02.2026, there was no occasion to admit Section 7 application. Further, IA No.5853 of 2025 which was filed by the Corporate Debtor praying for rejection of Section 7 application was directed to be listed on 10.01.2026 which application still remain pending without deciding IA No.5853 of 2025. Section 7 application could not be admitted. It is submitted that the deposit by Corporate Debtor is without prejudice to submission of the Appellant that there is no default and no grounds have been made out to admit Section 7 application. However, Appellant in the present Appeal is praying for closing the CIRP proceeding initiated against the Appellant on account of deposit made of the entire amount. It is submitted by Counsel for the Appellant that the amount as claimed by Financial Creditor in Section 7 application is not correct amount due on the Corporate Debtor and determination of the correct amount due in Corporate Debtor is necessary and from the deposit made by the Corporate Debtor Bank can utilise the said amount. Counsel for the Appellant further submits that the Appellant is ready to prepare a fresh payment order in the name of Bank which amount be used for satisfying the correct amount of outstanding against the Corporate Debtor.

5. Counsel appearing for the Respondent No.1/ Resolution Professional as well as Counsel appearing for the Bank of India refuting the submissions of the Appellant submits that the Adjudicating Authority did not commit any error in admitting Section 7 application by the order dated 12.01.2026. It is submitted that the parties were heard and judgment was reserved on 10.12.2025, after the judgment was reserved by the Adjudicating Authority by giving full opportunity to the Corporate Debtor to make its submission, it is not open for the Corporate Debtor to file further application and application IA No.21 of 2026 cannot be a ground for not admitting Section 7 application. It is submitted that the amount sought to be deposited by IA No.21 of 2026 is not to the Financial Creditor i.e. Bank of India rather the payment order is prepared in the name of Registrar NCLT. Thus, the aforesaid is not payment of debt of the Financial Creditor and cannot be accepted as discharge of the liability of the Corporate Debtor. Learned Counsel for the Respondent has relied on judgment of this Tribunal in ***"Loramitra Rath vs. JM Financial Asset Reconstruction Company Ltd.- Company Appeal (AT)) (Insolvency) Nos.1359 & 1360 of 2023"*** decided on 01.11.2023 where this Tribunal has held that two stages of reserving of the judgment and pronouncement of judgment are in a continuum with no hiatus or gap as such in the two stages. It is submitted that after reserving the judgment, it is not open for the Corporate Debtor to file application. It is submitted that debt and default being established against the Corporate Debtor which is further proved by numerous OTS proposals given by the Corporate Debtor from time to time including during pendency of Section 7 application, there is no doubt with regard to debt and default and there being debt and default as per the law

laid down by the Hon'ble Supreme Court, the Adjudicating Authority had no option except to admit the application.

6. Shri Sumant Batra, Learned Counsel appearing for the Punjab & Sind Bank submits that the Punjab & Sind Bank has already filed an application under Section 7 being C.P (IB) No.213/ND/2025 under Section 7 claiming an amount of Rs.58,65,46,624.29 paisa as on 31.01.2025. Pleadings in C.P (IB) No.213/ND/2025 have been completed and on 12.01.2026, relying on the order passed in Section 7 application filed by the Bank of India, Section 7 application filed by Punjab & Sind Bank has also been disposed of. It is submitted that any offer of settlement by the Corporate Debtor in favour of Bank of India can only be considered following due procedure under Section 12A of the IBC. He has placed reliance on the judgment of the Hon'ble Supreme Court in ***"Glas Trust Company LLC vs Byju Raveendran & Ors.- (2025) 3 SCC 625"***.

7. Dr. Singhvi, Learned Senior Counsel making his submission in rejoinder submits that the entire amount having been deposited in the Court by payment order annexed to the IA No.21 of 2026, the Adjudicating Authority could not have admitted Section 7 application. It is submitted by Appellant that there were eight banks in consortium, with four banks have already issued NoC in favour of the Corporate Debtor with respect to Punjab & Sind Bank, the entire amount of Rs.54,47,74,019/- upto 25.11.2025 has been deposited with DRAT. With respect to Jammu & Kashmir Bank, matter is pending in the High Court and for Bank of India already a demand draft of Rs.119 Crores has been deposited. It is submitted that the Corporate Debtor

undertakes to transfer Rs.119,00,94,658.68/- directly to the Financial Creditor, reserving its right to approach the DRT for computation and determination of amount of debt.

8. We have considered the submissions of the Counsel for the parties and perused the record.

9. Section 7 application was filed by the Bank of India claiming an amount of Rs.119,00,94,658.68/-. Part IV of Section 7 application has been extracted by the Adjudicating Authority in paragraph 11 of the impugned order. Paragraph 11 of the impugned order is as follows:-

> *"11. Despite repeated OTS discussions, recall notices, and legal proceedings, including DRT action and SARFAESI measures, the CD failed to discharge its liability, and its liability stood at INR 119,00,94,695.68/- (One Hundred Nineteen Crores Ninety-Four Thousand Six Hundred Ninety-Five Rupees and Sixty-Eight Paisa Only) (excluding equity) as on 31.03.2025. Following the same, the financial creditor had filed this present petition under section 7 of the IBC on 08.05.2025. The total amount claimed to be in default is shown in Part-IV of the petition as extracted below:*

**PART-IV**

<table>
<tr><td colspan="3">PARTICULARS OF FINANCIAL DEBT</td></tr>
<tr><td>1.</td><td>Total amount of debt granted and date(s) of disbursement</td><td>The Credit facilities as provided by the FC to CD are provided as herein below:<br><br><table><tr><td>Credit Facility</td><td>Sanctioned (in crores)</td></tr><tr><td>Term Loan 1</td><td>100 Cr</td></tr><tr><td>Term Loan II</td><td>38 Cr</td></tr><tr><td>FITL</td><td>26.92 Cr</td></tr><tr><td>Total</td><td>164.92 Cr</td></tr></table></td></tr>
</table>

<table>
<tr><td></td><td></td><td>Date(s) of disbursement: The credit facilities were disbursed on several dates as have been mentioned in the "FACTS LEADING TO THE FILING OF INSTANT PETITION".</td></tr>
<tr><td>2.</td><td>Amount claim to be in default and the date on which the default occurred.</td><td>Total Claim Amount as on 31.03.2025: Rs. 19,00,94,695.68/- (One Hundred Nineteen Crores Ninety Four Thousand Six Hundred Ninety Five Rupees and Sixty Eight Paisa) (Excluding Equity)<br><br>
<table>
<tr><td></td><td>Outstanding</td><td>Interest (Including Penal interest)</td></tr>
<tr><td>Term Loan I</td><td>365408958.00</td><td>443272664.17</td></tr>
<tr><td>Term Loan II</td><td>161214252.22</td><td>194926332.33</td></tr>
<tr><td>FITL</td><td>11153080.00</td><td>14119408.96</td></tr>
<tr><td>Total</td><td>537776290.22</td><td>652318405.46</td></tr>
</table>
<br>Calculation enclosed herewith.<br><br>Date of Default: The account was classified as Non-Performing Asset (NPA) on 31.03.2018, (w.e.f 18.07.2017) due to continuous defaults. The default is ongoing as the Corporate Debtor has failed to repay the outstanding debt despite repeated demands.<br><br>Date on which the account was classified as NPA due to persistent defaults: 31.03.2018 (w.e.f 18.07.2017) Moreover, the default is continuing as the Corporate Debtor has failed to pay the abovementioned outstanding debt.<br>That the CD has acknowledged its debt and default and had submitted various OTS proposals inter alia on:<br><br>(i) The debt acknowledgment letter executed by the Corporate Debtor, the last of which is dated 01.06.2017, explicitly admitting the outstanding liability.</td></tr>
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| | | |
|---|---|---|
| | | (ii) OTS Proposal dated 03.09.2018<br>(iii) OTS Proposal dated 28.08.2019<br>(iv) OTS Proposal dated 08.01.2021 and withdrawal notice dated 08.03.2021<br>(v) OTS Proposal dated 24.02.2023<br>(vi) OTS Proposals dated 04.11.2023, 01.01.2024 and 15.01.2024<br>(vii) Letter of Request dated 24.03.2025 for Refund of Rs.7 Crores Deposited Towards Proposed OTS demonstrating the failure of OTS.<br><br>The financial statements of the Corporate Debtor, wherein the outstanding loan liability has been reflected in the balance sheets for the subsequent financial years for 2020-2021, 20201-2022 and 2022-2023. |

10. There is no dispute between the parties that the reply and rejoinder were filed and matter was heard on 01.12.2025 and parties were directed to file short notes before 10.12.2025. Matter was directed to be listed on 10.12.2025. On 10.12.2025, Adjudicating Authority passed following order:-

> *"**(IB)-276(ND)/2025***
>
> *In compliance of our earlier order, Petitioner has filed the short note/written submissions and the same is available on record.*
>
> *Mr. Sunil Fernandes, Ld. Sr. Counsel appearing for the Respondent submitted that in compliance of our earlier order, he has already filed his written submissions. But the same is under defects. He seeks and is granted permission to take steps to cure the defects and bring the same on record by tomorrow i.e. 11.12.2025 subject to payment of cost of Rs. 24,000/- (Rupees Twenty-Four Thousand Only) to be deposited in the Prime Minister's National Relief Fund (PMNRF).*

*Arguments heard. Subject to the undertaking given by the Ld. Sr. Counsel for the Respondent, matter is reserved for orders.*

*Registry is directed to place the short note/written submissions before us after clearing the defects (if any).*

***IA-5853/2025***

*At request and by consent, list the matter on 20.01.2026."*

11. It is relevant to notice that an IA No.5853 of 2025 dated 27.11.2025 was filed by the Corporate Debtor praying for dismissal of the application under Section 7 for the reasons and grounds as mentioned in the application. On IA No.5853 of 2025, Adjudicating Authority at request and by consent directed it to be listed on 20.01.2026. The application on which much reliance is placed by the Counsel for the Appellant being IA No.21 of 2026 dated 24.12.2025 was filed by the Corporate Debtor before the Adjudicating Authority copy of which application has been brought on the record as Annexure A-2 to the Appeal. In the Application, following prayers have been made:-

*"A. To permit and/or allow the Corporate Debtor, on a without prejudice basis, to deposit the amount of INR 119,00,94,695.68/- with the Registrar, National Company Law Tribunal, New Delhi in full satisfaction of the debt claimed in FORM-1 / Section 7 Petition; and*

*B. To recall the Order dated 10.12.2025 passed by this Hon'ble Tribunal in CP IB No. 276/2025 and afford an opportunity to the Corporate Debtor to make*

*submissions on the merits of the case for determination of the actual legitimate debt owed to bank;*

*C. To pass such other or further order(s) as this Hon'ble Tribunal may deem fit in facts and circumstances of the present case."*

12. Along with the application, payment order dated 24.12.2025 in the name of Registrar, NCLT for Rs.119,00,94,658.68/- was also annexed. In paragraph 1 of the application, following has been pleaded:-

*"1. The present Application is being filed by Corporate Debtor / Applicant, on a without prejudice, to seek leave of this Hon'ble Tribunal to deposit an amount of INR 119,00,94,695.68/- (Rupees One Hundred Nineteen Crore Ninety Four Thousand Six Hundred Ninety Five and Sixty Eight Paisa Only) with the Registrar, National Company Law Tribunal, New Delhi to demonstrate the solvency of the Corporate Debtor and its capacity for repayment of the legitimate debt to the Financial Creditor. Further, the Corporate Debtor seeks that this Hon'ble Tribunal recall its Order dated 10.12.2025 and afford an opportunity to the Corporate Debtor to make submissions on the merits of the case for determination of the actual legitimate debt in order for the Corporate Debtor to repay the same, as the amount claimed in FORM -1 is neither due nor in default and has been highly exaggerated and arbitrarily calculated."*

13. Appellant has pleaded in the Appeal that IA No.21 of 2026 was filed on 24.12.2025 which was taken by the Adjudicating Authority on 07.01.2026, when the Adjudicating Authority issued notices and directed the Bank of India

to file its reply. In paragraphs 1.5 and 1.6 of the Appeal, following has been pleaded:-

> *"1.5. The Adjudicating Authority has completely overlooked and failed to take note that on 07.01.2026, in I.A. No. 21/2026, the Adjudicating Authority issued Notice and directed the Respondent Bank to file its response and listed the matter for hearing on 02.02.2026. However, in complete disregard of its own Order dated 07.01.2026, the Final Order in the s.7 Petition was pronounced on 12.01.2026 admitting the Petition, even when the entire dues of the Bank as claimed in the s.7 Petition, despite the CD having secured a Demand Draft in the full amount prior to 12.01.2026. A copy of the Application (IA 21/2026) filed on 24.12.2025 is herein annexed as Annexure A-2. The Order dated 07.01.2026 has not even been uploaded on the NCLT Portal, however, the Screenshot of the NCLT Case Status website showing the next hearing date of the Application, IA 21/2026, on 02.02.2026 is herein annexed as Annexure A-3.*
>
> *1.6. It is further submitted that the Counsel for the CD in the morning of 12.01.2026, specifically informed the Registrar, NCLT and the Adjudicating Authority by way of an email that Application, IA No. 21/2026 was pending for consideration on 02.02.2026 as directed by the Adjudicating Authority on 07.01.2026. There cannot be any question of proceeding with s.7 when there is no existence of indebtedness and the Corporate Debtor is a demonstrably solvent entity. A copy of the e-mail request sent to the Registrar, NCLT on 12.01.2026 is herein annexed at Annexure A-4."*

14. Counsel for the Appellant has filed screenshot of e-filing.nclat.gov.in where IA No.21 of 2026 is shown as filed on 24.12.2025/02.01.2026 and next date mentioned is 02.02.2026 and status shown is pending. The said screenshot is with respect to CP (IB) 276 ND/2025. Copy of the e-mail dated 12.01.2026 sent to the Bank of India with copy to Registrar NCLT is filed as Annexure 4 which Annexure reads as follows:-

> *"Subject: Bank of India v. Aman Hospitality Private Limited-CP (IB) 276 ND/2025-Urgent Request-12.01.2026*
>
> *Date: Monday, 12 January 2026 at 8:27:23 AM India Standard Time*
>
> *From: anush.raajan@anushraajan.com*
>
> *To: registrar-nclt@gov.in*
>
> *CC: secretary@nclt.gov.in, Office of VAR*
>
> *Attachments: Copy of Demand Draft for INR 119 Crores-NCLT Registrar-24.12.2025.pdf, image001.png*
>
> *Respected Sir(s),*
>
> *We write in reference to the captioned matter listed for Pronouncement of Orders at Item 201, before the Hon'ble Principal Bench, New Delhi today.*
>
> *We request you to kindly take note that an Interim Application (I.A. 21/PB/2026) seeking the leave of the Hon'ble Tribunal to deposit the entire amount, as claimed by the FC in the Petition, by way of demand draft in the amount of INR 119 Crores in favour of the Registrar, NCLT (copy attached) is pending for consideration. The Hon'ble Bench has issued Notice to the Bank on 07.01.2026, to file the reply to the same within a weeks' time, and listed the matter for further consideration on 02.02.2026.*

*So there appears to be some error in cause list, as the case should be listed for further consideration and not for pronouncement, as also reflected in the Case History. This message be kindly placed before the Hon'ble bench before 10.30 am today itself.*

*For Aman Hospitality Ltd,*
*V. Anush Raajan,*
*Advocate*

*V. Anush Raajan*
*Advocate-on-Record*
*Supreme Court of India"*

15. In view of the submission which has been advanced by Counsel for the Appellant relying on IA No.21 of 2026 and deposit of the amount of Rs.119 Crores along with the IA by payment order, we need to first consider the submission of the parties on the said application. From the sequence of the events and materials on the record, filing of IA No.21 of 2026 is fully proved. It is also pleaded that the Adjudicating Authority on 07.01.2026 has issued noticed fixing the application on 02.02.2026. Objection with respect to application IA No.21 of 2026 which has been raised by the Appellant is that after reserving of the judgment on 10.12.2025, Corporate Debtor had no authority to file any IA. Reliance has been placed by Counsel for the Respondent on the judgment of this Tribunal in ***"Loramitra Rath"*** (supra). In paragraph 13 of the judgment, following has been held:-

> *"13. It is a well settled proposition of law that the two stages of reserving of judgment and pronouncement of judgment are in a continuum with no hiatus or gap as such in the two stages. That being the well accepted and*

*time-tested practice in court proceedings, subsequent pleadings filed by way of an I.A. after the judgement is reserved is normally not entertained for reasons of procedural propriety. The Adjudicating Authority while dismissing the I.A. has applied the same settled position of law that when a matter is reserved for orders, there is no scope for entertaining application from parties to re-hear the matter. The Adjudicating Authority has relied on the judgment of the Hon'ble Supreme Court in Arjun Singh v. Mohindra Kumar & Ors. 1964 5 SCR 946 and Hon'ble Rajasthan High Court in Rajasthan Financial Corporation v. Pukhraj Jain & Ors. in AIR 2001 Raj 71 to hold that no application could be moved after the final arguments were heard and the case was closed for judgment. Hence, we find that the Adjudicating Authority had committed no error in not entertaining the I.A. particularly so when the I.A. contained facts which were already in existence at the time of filing of reply and at the time of making pleadings in the main company petition. Neither do we find any cogent grounds having been cited to explain what had impeded the Appellant from flagging these issues during the hearing of the main company petition. It also does not stand to any logical reasoning as to why the issues raised in the I.A. could not have been raised in the main company petition. Raising such technical issues and that too after detailed hearing in the main petition was concluded clearly shows that the Appellant was merely trying to raise feeble grounds in the L.A. to somehow delay and derail the admission of CIRP. Hence in our considered opinion, the Adjudicating Authority had rightly rejected the I.A. 253/2023."*

16. In the case of ***"Loramitra Rath"*** (supra), an appeal was filed challenging the two orders of the Adjudicating Authority where IA No.253 of 2023 was rejected by the Corporate Debtor and application under Section 7 filed by JM Financial Asset Reconstruction Company Ltd. was admitted by another order. The above IA No.253 of 2023 was filed for recall of the order reserving the matter and praying for rehearing of the matter. The matter was reserved on 07.08.2023 and order was pronounced on 25.09.2023. By the same order dated 25.09.2023, the application IA No.253 of 2023 was rejected. In paragraph 13 of the judgment as noted above, the Adjudicating Authority has held that there is no scope for entertaining application from parties to re-hear the matter. This Tribunal has upheld the order of the Adjudicating Authority holding that the Adjudicating Authority did not commit error in rejecting the application. This Tribunal made following observations made in paragraph 13:-

> "*we find that the Adjudicating Authority had committed no error in not entertaining the I.A. particularly so when the I.A. contained facts which were already in existence at the time of filing of reply and at the time of making pleadings in the main company petition. Neither do we find any cogent grounds having been cited to explain what had impeded the Appellant from flagging these issues during the hearing of the main company petition. It also does not stand to any logical reasoning as to why the issues raised in the I.A. could not have been raised in the main company petition."*

17. The proposition laid down by this Tribunal in the above judgment is a well settled. In the above case, the rejection of the IA by Adjudicating Authority was upheld by this Tribunal.

18. When we come to the facts of the present case, in the present case, IA No.21 of 2026 is filed seeking leave of the Adjudicating Authority to deposit the total amount of Rs.119 Crore which was claimed in Section 7 application. The payment order in the name of Registrar NCLT was annexed along with the application. The fact which was pleaded and brought on the record was taken note of the Adjudicating Authority and Adjudicating Authority issued notice on 07.01.2026 in the application fixing the matter for 02.02.2026. Thus, the judgment of this Tribunal in ***"Loramitra Rath"*** (supra) where Adjudicating Authority has rejected the application and then admitted the application is not applicable. In the present case, in IA, notices were issued subsequent to reserving the judgment and next date was fixed on 02.02.2026 and before the said date, order dated 12.01.2026 has been passed admitting Section 7 application. There can be no two opinions about the proposition and requirement of the Section 7 application that when a Financial Creditor is able to prove debt and default on the part of the Corporate Debtor, Adjudicating Authority has to admit Section 7 application. The object of the Insolvency and Bankruptcy Code, 2016 is resolution for corporate person in a time bound manner. In the present case, when Corporate Debtor, after hearing was completed and matter was reserved, by an application sought leave of the Adjudicating Authority to deposit the entire defaulted amount as claimed by Financial Creditor by payment order in the name of the Registrar,

NCLT in which application, notices were issued by the Adjudicating Authority on 07.01.2026 fixing the matter for 02.02.2026, the Adjudicating Authority committed error in admitting Section 7 application by order dated 12.01.2026. The fact that application IA No.21 of 2026 was entertained by issuing notice by the Adjudicating Authority is fully proved. In fact, issuance of notice also supports the submission of the Appellant that the prayer made in the application to seek liberty of the Adjudicating Authority to deposit the entire amount was treated to be relevant worth consideration.

19. The present is a case where Corporate Debtor has come up with prayer although subsequent to reserving the order with payment order of the entire amount in the name of Registrar, NCLT seeking leave of the Adjudicating Authority to deposit the amount, without adverting to the said, Adjudicating Authority ought not to have passed the impugned order dated 12.01.2026 admitting Section 7 application. The order dated 12.01.2026 which is passed without taking note/consideration the offer of deposit by the Corporate Debtor of the entire amount which was along with the payment order in the name of the Registrar NCLT brought on the record cannot be sustained. We may notice a judgment of this Tribunal in ***"Reliance Commercial Finance Ltd. vs Darode Jog Builder P. Ltd.- 2022 SCC OnLine NCLAT 3659"*** where the Adjudicating Authority as well as this Tribunal had occasion to consider a case where Corporate Debtor has offered to deposit the entire amount before the Adjudicating Authority. In the above case, the Financial Creditor has initiated Section 7 proceeding for amount of Rs.15,79,41,658/-. Company Petition was adjourned from time to time. On 11.07.2022 when Company

Petition was taken, Corporate Debtor stated that it is ready and willing to deposit the entire amount of Rs.15,79,41,658/- within 45 days. Counsel for the Financial Creditor submitted that the Financial Creditor is not willing to settle the matter. Adjudicating Authority directed that if Corporate Debtor does not deposit the amount within 45 days, Financial Creditor shall be at liberty to file application for restoration of the Company Petition. Company Petition was disposed of against which order Appeal was filed. It was contended by the Counsel for the Financial Creditor before this Tribunal that Financial Creditor has expressed his unwillingness to settle the matter with the Corporate Debtor, hence, the Adjudicating Authority could not have permitted the Corporate Debtor to deposit the amount in the bank account of the Financial Creditor. In paragraph 3 of the judgment, following was noticed:-

> *"**3.** Mr. Nikhil Nayyar, senior advocate appearing for the appellant submits that the Adjudicating Authority committed error in disposing of the company petition whereas the financial creditor has expressed its unwillingness to settle the matter with the corporate debtor. It is submitted that the Adjudicating Authority could not have permitted the corporate debtor to deposit the amount in the bank account of the financial creditor."*

20. It is useful to notice paragraphs 6, 7 and 8 of the judgment of this Tribunal in ***"Reliance Commercial Finance Ltd."*** (supra)-

> *"**6.** In the present case, section 7 application was filed claiming an amount of Rs. 15,79,41,658. On the earlier date, when the company petition was taken, i.e., on*

*July 6, 2022, the corporate debtor came with an offer of Rs. 12.75 crores to be paid within 45 days on which, the court directed the financial creditor to obtain instructions. Amount of Rs. 12.75 crores which was offered on July 6, 2022 by the corporate debtor was not the entire amount claimed by the financial creditor in the application. But on the next date i.e., July 11, 2022, when the case was taken, learned counsel for the corporate debtor submitted that the corporate debtor is now ready to deposit the entire amount within 45 days. The Adjudicating Authority noticed the submission of learned counsel for the financial creditor which was to the following effect:*

*"Mr. Ayush J. Rajani, counsel appearing for the financial creditor submitted that the financial creditor is not willing to settle the matter as they have no confidence on the corporate debtor in view of the past conduct of the corporate debtor."*

***7.*** *Immediately after noticing the above statement of learned counsel for the financial creditor, the statement of learned counsel for the corporate debtor has been recorded to the following effect:*

*"After making the above statement by counsel appearing for the financial creditor, Mr. Prakhar Tandon, counsel appearing for the corporate debtor on instructions assured the financial creditor as well as this Bench that his client is ready and willing to deposit the entire amount of Rs. 15,79,41,658 claimed in the above company petition, instead of Rs. 12.75 crores offered earlier within 45 days from today."*

***8.*** *The Adjudicating Authority after noticing the aforesaid statements, passed over the matter and*

*asked the financial creditor to furnish the bank account which details were given and the Adjudicating Authority giving details of the account in the order, directed the corporate debtor to deposit the amount within 45 days."*

21. This Tribunal after hearing the parties dismissed the appeal and in paragraph 14 of this Tribunal has observed that if Corporate Debtor deposited the entire defaulted amount whether the Adjudicating Authority could have admitted Section 7 application. Adjudicating Authority has given its answer in 'No'. In paragraph 14 of the judgment, following was observed:-

*"**14.** In event, in consequence of the order of the Adjudicating Authority, the corporate debtor deposits the entire defaulted amount whether still the Adjudicating Authority was required to necessarily admit the section 7 application. The answer would be obviously no. When the corporate debtor has complied to deposit the entire defaulted amount of the financial creditor as permitted by the Adjudicating Authority, no purpose and occasion shall survive to still proceed with the insolvency resolution of the corporate debtor. The proceeding under section 7 are proceeding for resolution of the insolvency of the corporate debtor. We do not find any error in the course adopted by the Adjudicating Authority to ascertain as to whether the corporate debtor can comply to deposit the entire defaulted amount in the bank account of the financial creditor."*

22. Counsel for the Respondent has contended that by application IA No.21 of 2026, Corporate Debtor has not sought leave to make the payment to the Financial Creditor but offer of deposit with a prayer to determine the actual

estimate debt which determination cannot be subject matter of Section 7 proceeding. It is submitted that the present is not a case where Corporate Debtor unconditionally has submitted the payment order of Rs.119,00,94,695.68/-. In paragraph 14 of the application IA 21 of 2026, following has been pleaded:-

> *"14. In the alternative, and without prejudice to the above, should this Hon'ble Tribunal is of the view that the said exercise of determination of quantum of debt ought to be performed by the appropriate court / tribunal having jurisdiction to do so, then liberty may be granted to the CD to approach the Debts Recovery Tribunal - II, New Delhi (ORT), where the FC's recovery proceedings in Bank of India v. Aman Hospitality Private Limited & Ors (O.A. 258 of 2021) is pending adjudication, for the purposes of determination and quantification of debt. The amounts deposited with this Hon'ble Tribunal herein may be kept in an interest-bearing fixed deposit for the benefit of the FC, with a direction to the FC to appropriate the said sum once the quantum is fixed by the DRT, and the present Section 7 Petition may be dismissed as there exists no question of insolvency of the CD."*

23. Thus, from the above, it is clear that the Corporate Debtor's offer in the application was to keep the amount in an interest-bearing fixed deposit for the benefit of the Financial Creditor and after quantification the said amount may be utilised. We have already noticed that the Bank has already filed OA No.258 of 2021 before the DRT which is pending consideration where DRT to adjudicate the actual amount to which the Bank is entitled. Learned Counsel for the Appellant on a query from the Court that whether the Corporate Debtor

is ready to issue payment order in favour of the Bank instead of Registrar, NCLT. Counsel for the Appellant submitted that the Appellant shall make the payment order of entire amount of Rs.119 Crores in favour of the Bank of India which may be utilised for the dues of the Bank as to be determined in the pending OA No.258 of 2021 before the DRT. Appellant has filed written submissions in the Appeal as per liberty granted by the Court in which Appellant has undertaken following:-

> ***"APPELLANT'S UNDERTAKING***
>
> *15. On the date of hearing of this Appeal (14.01.2026), the FC's primary objection was that the amount of INR 119 Crores was not offered to it but was offered to be deposited with the NCLT. To alleviate the concern of FC, the Appellant / CD herein undertakes to transfer INR 119,00,94,658.68/- directly to the FC, on a without prejudice basis, and reserving its right to approach the Debt Recovery Tribunal, DRT-2, Delhi ("DRT") in OA No. 258/2021 - Bank of India v. Aman Hospitality Private Ltd. and Ors. by moving appropriate application for computation/determination of amount of debt."*

24. We, thus, after considering the submission of the parties, perusal of the materials on record and sequence of the fact, are satisfied that the Adjudicating Authority committed error in passing the order dated 12.01.2026 admitting Section 7 application in the facts of the present case.

25. We also need to notice the submission which has been advanced by Shri Sumant Batra on behalf of the Punjab & Sind Bank. It is submitted that the Punjab & Sind Bank has already been filed C.P. (IB) No.213/ND/2025 which was disposed of on 12.01.2026 relying on the impugned order passed

by the Adjudicating Authority in C.P.(IB) No.276 of 2025 admitting the Corporate Debtor to CIRP Process. It is further submitted that any settlement by Corporate Debtor with the Bank of India can be permitted only as per procedure prescribed under Section 12A reliance has been placed on judgment of the Hon'ble Supreme Court in ***"Glas Trust Company LLC vs Byju Raveendran & Ors.- 2025 3 SCC 625"***. The present is a case where we have held that the order dated 12.01.2026 admitting Section 7 application is not sustainable. In view of the application IA No.21 of 2026 filed by the Corporate Debtor subsequent to reserving the order and the Adjudicating Authority having itself in the order notice on the application on 07.01.2026 fixing the matter for 02.02.2026. The present is not a case where any settlement between the parties is being recorded by the Court. The Corporate Debtor of its own has already filed an application before the Adjudicating Authority seeking leave to deposit the entire amount by payment order in the name of Registrar NCLT which application remains pending and Section 7 application was admitted. The present is not a case of any settlement entered between the Bank and the Corporate Debtor rather Corporate Debtor has volunteered to deposit the entire Part IV amount before the Adjudicating Authority. We thus, are of the view that the present is not a case for applicability of judgment of the Hon'ble Supreme Court in ***"Glas Trust Company LLC"*** (supra).

26. With regard to claim of Punjab & Sind Bank, Learned Counsel for the Appellant has contended that the amount of Rs.54,47,74,019/- has already been deposited with DRAT in proceedings initiated by Punjab & Sind Bank.

Shri Sumant Batra submitted that the said amount is not the total amount of entitlement of the Punjab & Sind Bank and they have taken proceeding questioning the said determination. We in this Appeal need not express any opinion with respect to claim of Punjab & Sind Bank. It is open for the Punjab & Sind Bank to revive its application under Section 7 which was disposed of on 12.01.2026, in view of the order passed in this Appeal.

27. In result of the foregoing discussions, we allow the Appeal in following manner:-

(i) The order dated 12.01.2026 is set aside.

(ii) Appellant has undertaken to make payment of Rs.119,00,94,695.68/- to the Bank of India by preparing a fresh payment order after cancelling the payment order dated 24.12.2025 prepared in the name of Registrar NCLT, which payment order be handed over to the Bank of India within three days from today.

(iii) The amount paid of Rs.119,00,94,695.68/- shall be subject to determination of total amount of entitlement of the Bank of India against the Corporate Debtor which is pending consideration in OA No.258 of 2021- Bank of India vs. Aman Hospitality Pvt. Ltd. & Ors. In case Bank is held to be entitled to any lesser amount as on the date of payment to the Bank of India, Bank of India shall refund the excess amount to the Corporate Debtor.

(iv) In view of the above order which is being passed CP (IB) No. 276/ND/2025 along with applications pending therein stand disposed of.

**[Justice Ashok Bhushan]**
**Chairperson**

**[Barun Mitra]**
**Member (Technical)**

**New Delhi**

***Anjali***