



IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. NO. 1438/ND/2025
IN
C.P. IB. NO. 147/ND/2024

Under Section 10 of the Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority), Rules, 2016

IN THE MATTER OF:

M/S UNIVERSAL JOURNEYS INDIA PRIVATE LIMITED
...CORPORATE APPLICANT/CORPORATE DEBTOR

ORDER DELIVERED: 09.10.2025

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI,
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Ms. Nimita Kaul, Advocate
For the Respondent : Mr. Bhanu Mishra, Advocate

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present interlocutory application i.e., I.A. No. 1438 of 2025 filed by the Corporate Applicant under rule 11 of the National Company Law Tribunal Rules, 2016 seeks the following reliefs:-
 - i. Allow the present application and take on record the documents of proposed Interim Resolution Professional as detailed in para 3 of the Application.
 - ii. Any other /directions which the Hon'ble Tribunal may deem fit under the facts and circumstances of the present case.



2. It is submitted by the Corporate Applicant that the application filed under Section 10 is pending for adjudication. While filing the captioned matter the Applicant has proposed the name of Mr. Atul Kumar Kansal as Interim Resolution Professional for the Corporate Debtor. However, the Applicant now wishes to propose the name of Mr. Ashok Arora as the Interim Resolution Professional for the Corporate Debtor a copy of Form-2 i.e. written communication in connection with an application to initiate Corporate Insolvency Resolution Process in respect of M/ s Universal Journeys India Pvt. Ltd. along with Form-B i.e. authorization for assignment and certificate of registration arc annexed.
3. It is pertinent to mention that Mr. Atul Kumar Kansal has given no objection pertaining to proposal for appointment of Interim Resolution Professional for the Corporate Applicant.
4. Taking into consideration the said submissions made by the Learned Counsel for the Applicant as well as the averments contained in the Application, we are of the view that the present application is taken on record.
5. Therefore, the present interlocutory application i.e., **I.A. No. 1438 of 2025 stands allowed and disposed of.**

Sd/-
ATUL CHATURVEDI
MEMBER (TECHNICAL)

Sd/-
MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)



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SHRI ATUL CHATURVEDI,
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Ms. Nimita Kaul, Advocate
For the Respondent : Mr. Bhanu Mishra, Advocate

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present application is filed by M/s Universal Journeys India Private Limited ("Corporate Applicant") under Section 10 of the Insolvency and Bankruptcy Code, 2016 with a prayer to initiate the Corporate Insolvency Resolution Process as the Corporate Debtor being the Corporate Applicant itself, has committed the default in paying the debt of Rs. 14,05,72,417/- owed to the Financial Creditors and Operational Creditors.
2. The Corporate Applicant is a private limited company incorporated on 23.12.2011 under the provisions of the Companies Act, 1956 having CIN: U63040DL2011PTC229221 and registered office situated at Flat No. 713, 7th Floor, Devika Tower-6, Nehru Place, New Delhi-110019.



The Corporate Applicant provides visa services and related consultancy services and is engaged in carrying on business of travel, tourist agents, meetings, incentives, conferences, exhibitions, and contractors and to facilitate travelling and provide for tourist and travelers.

3. The averments made by the Corporate Applicant in the application, which are necessary for adjudicating the matter are summarized as under: -

- i. The Corporate Applicant submits that the business of the Company has been badly affected by the Covid-19 pandemic. There has been no influx of income in the Applicant Company since 09.03.2020 and all loans from banks and financial institutions have been declared as NPA. The applicant has a negative net worth of (-) Rs. 17,75,47,175/- (Rupees Seventeen Crore Seventy-Five Lakh Forty-Seven Thousand One Hundred and Seventy-Five only) due to the losses sustained despite the efforts of the promoters of Corporate Applicant to revive its business.
- ii. The loans availed by the Corporate Applicant were declared as NPA by several of its creditors on or about 04.12.2019, 29.12.2019, 10.02.2020, 25.03.2020, 25.03.2020, 28.03.2020, 20.04.2020, 31.05.2020, respectively.
- iii. The default in repayment of the abovementioned loans is further substantiated by the latest books of accounts of the Corporate Applicant evidencing the occurrence of default in repayment of the abovementioned loans availed by the Corporate Applicant.
- iv. It is submitted that Applicant is not disqualified under Section 11 of the IBC and therefore, is entitled to file the captioned Application u/s 10 of the IBC. All the statutorily mandated information/particulars under Section 10 of IBC, FORM 6, and Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 has been furnished by the Applicant in the present Application. The debt and occurrence of default in relation thereto is abundantly evidenced from the



records filed along with the Application. In view thereof, it is submitted that it is incumbent on part of the Ld. Adjudicating Authority to admit the captioned Application.

4. This Adjudicating Authority vide order dated 09.08.2024 directed the Applicant to serve notice to all the creditors for appearance as well as for filing objections. The Corporate Applicant, in compliance of order dated 09.08.2024 filed an affidavit of service dated 30.04.2025. Pursuant to the issuance of notice, the Objector Kotak Mahindra Bank, Financial Creditor and RITCO Travels & Tours Private Limited, Operational Creditor has appeared before us and made the submissions which are stated below:-

**A. OBJECTIONS/REPLY ON BEHALF OF FINANCIAL CREDITOR
KOTAK MAHINDRA BANK**

- i. The present petition is wholly misconceived, malafide and untenable for being an abuse of the process of law, for which the application merits dismissal with heavy costs.
- ii. The present Financial Creditor vehemently denies the initiation of the CIRP against the Corporate Debtor being prayed for by the Corporate Debtor.
- iii. That Magma Fincorp Limited granted a loan of Rs.35,24,786/- to the Corporate Debtor, Universal Journeys Pvt. Ltd., under a Loan Agreement dated December 19, 2017.
- iv. The Corporate Debtor defaulted in the repayment of loan. Subsequently, the said loan, along with all rights, title, and interest, was assigned to Kotak Mahindra Bank Limited through an Assignment Deed dated 30.06.2022.
- v. As per the Statement of Account dated 31.05.2022, an outstanding amount of Rs.13,92,775/- remains unpaid and due for recovery. That the Financial Creditor further submits that the Corporate Debtor failed to adhere to the terms and conditions of the above mentioned Loan Agreements by not paying the outstanding dues to Financial Creditor in spite of repeated requests and reminders. It is further submitted that



the Corporate Debtor have been committing defaults in payment of instalments, thus violating the terms and conditions of the said agreements. That the total amount outstanding towards the Corporate Debtor is Rs.2,74,4491.46/- as on 8th February 2025.

- vi. The initiation of the CIRP shall cause irreparable loss and injury to the financial creditors while unjustly protecting the borrowers and various guarantors under the Loan Agreements.
- vii. The filing of the present Company Petition under Section 10 is a mere tactic employed by the Corporate Debtor to delay the payment of legitimate dues, thereby abusing the process of law.

**B. OBJECTIONS/REPLY ON BEHALF OF OPERATIONAL CREDITOR
M/S RITCO TRAVELS AND TOURS PRIVATE LIMITED**

- i. The Corporate Applicant approached RITCO Travels to provide tour and travel-related services, particularly for booking air tickets for its clients and business operations. In response, RITCO Travels commenced a business relationship with the Corporate Debtor and regularly issued air tickets upon request. Consequently, RITCO Travels maintained a running account in the name of the Corporate Debtor in its books of accounts, reflecting the ongoing transactions for the travel services rendered.
- ii. The Corporate Applicant falsely introduced itself to be a specialized entity in organizing conferences, meetings and events both in India and abroad for corporate clients and providing various travel related services. They falsely pretended that they were leading players in their field and claimed association with high profile corporate clients. The Directors of the Corporate Applicant/Corporate Debtor company deceitfully stated that they regularly require foreign currency as well as travel and tour services



including air tickets, hotel bookings etc. for international/domestic travel for its clients and business needs and for the said purpose, they wish to avail travel services from the Operational Creditor. Therefore, the Corporate Applicant/Corporate Debtor fraudulently enticed the Operational Creditor to do business with them.

- iii. The Corporate Debtor had made part payments to RITCO Travels/Operational Creditor in lieu of the aforesaid travel services. However, an amount of Rs.31,88,594/- (Rupees Thirty-One Lakh Eighty-Eight Thousand Five Hundred and Ninety-Four only) has remained outstanding from the Corporate Debtor.
- iv. RITCO Travels/Operational Creditor after exhausting all efforts to recover its outstanding dues from the Corporate Debtor and failing to find a resolution, RITCO Travels has initiated recovery proceedings under Commercial Courts Act, 2015 before the Ld. District Judge (Commercial Court), South Delhi Court, Saket Court Complex, New Delhi.
- v. The Corporate Debtor is avoiding the service of summons issued on it by Ld. District Judge (Commercial Court), South Delhi Court, Saket Court Complex, New Delhi with a malafied intention to defraud with the Operational Creditor.

**REJOINDER ON BEHALF OF THE CORPORATE APPLICANT TO THE
REPLY FILED BY THE OPERATIONAL CREDITOR, RITCO TRAVELS
AND TOURS PRIVATE LIMITED**

- i. It is submitted that the present application was filed on 15.03.2024, while complying with all the requirements of law as provided under the IBC, 2016 including the amount debt due from the Operational Creditor (same amount in mentioned in the Reply) as well as list of litigation matters pending as of that date.



- ii. On the other hand, the recovery proceedings filed by the Operational Creditor against the Corporate Applicant were filed in September 2024. It is submitted that there is no evidence or question of fraud on the part of the Corporate Applicant, since the recovery proceedings that have been filed by the Operational Creditor were filed over 6 months after the filing of the application under Section 10 of the IBC, 2016 by the Corporate Applicant. Therefore, there is no concealment of pending proceedings on the part of the Corporate Applicant as alleged or otherwise. In fact, the recovery proceedings filed by Operational Creditor are non-est and could not have been filed while the present application had already been initiated by the Corporate Applicant with notice duly being issued to Operational Creditor as per directions of this Tribunal.
- iii. It is also submitted that, upon the direction of this Tribunal vide its order dated 09.08.2024, the present application was duly served on the Operational Creditor, and subsequently, an affidavit of service was filed on 13.09.2024.
- iv. It is pertinent to mention that the counsel for the operational creditor had served a copy of their 'objection application' to the counsel for the corporate applicant by e-mail dated 16.10.2024. However, the same was neither brought on record nor pursued by the Operational Creditor before this Tribunal. It is only when this Tribunal, vide its order dated 02.05.2025, directed that court notice be sent to all creditors, that the present reply was filed by the Operational Creditor.
- v. It is submitted that there is no fraud and no malafide intention on the part of the Corporate Applicant, since even the amount of debt mentioned by them in their reply is the same as mentioned by the Corporate Applicant.
- vi. It is the Operational Creditor who is misleading this Tribunal and has concealed relevant facts from this Tribunal by filing the present Reply which ought to be dismissed in limine and with costs.



ANALYSIS AND FINDINGS

5. We have heard Ld. Counsel for the Corporate Applicant and the Objector Bank i.e., Kotak Mahindra Bank and RITCO Travels and Tours Private Limited and perused the averments made in the application, reply by the Objectors, Rejoinder by the Corporate Applicant and written submission. The relevant documents annexed with the respective submissions have been examined.
6. As per Section 10 of Insolvency and Bankruptcy Code, 2106, a Corporate Applicant can file an application before the Adjudicating Authority, seeking initiation of Corporate Insolvency Resolution Process of the Corporate Debtor that has committed a default, for initiating Corporate Insolvency Resolution Process with the Adjudicating Authority, in a prescribed form by enclosing the following:
 - a. *The information relating to its books of account and such other documents for such period as may be specified;*
 - b. *The information relating to the resolution professional proposed to be appointed as an interim resolution professional; and*
 - c. *The Special resolution passed by shareholders of the Corporate Debtor or the resolution passed by at least three-fourth of the total number of partners of the Corporate Debtor, as the case may be, approving filing of the application.*

As per 10(4) the Adjudicating Authority can admit an application if the same is complete and no disciplinary proceedings are pending against the proposed Resolution Professional.
7. From the submissions made by the Corporate Applicant, it is stated that the business of the Corporate Applicant has been badly affected by the Covid-19 and there has been no influx of income in the Applicant Company since 09.03.2020. Further, the Company has multiple defaults in the repayment of loans and payment of interest on loans. Therefore, all the loans from Banks and Financial Institution have been converted into NPA. Thus, the company approached this Adjudicating Authority by filing an application under Section 10 of the Insolvency



and Bankruptcy Code, 2016 for initiation of Corporate Insolvency Resolution Process.

8. Further, it is contended by the objector i.e., Kotak Mahindra bank and RITCO Travels and Tours Private Limited that the Corporate Applicant has made an application for CIRP with a malicious intent to take undue advantage of the moratorium provisions of the Code and to escape its liabilities and misuse the provisions of the Insolvency and Bankruptcy Code, 2016. Further, it cause irreparable harm to the creditors and result in undue protection to the borrowers and guarantors.
9. As per the averments, it is evident that there was a debt due and there was a default of the same. It is also observed that the Corporate Applicant was not earning sufficient profits to repay its debts. The Corporate Applicant, vide its Board resolution dated 02.02.2024, had resolved to file application under Section 10 of the Code, 2016. The shareholders of the Corporate Applicant after due discussions and deliberation had resolved by way of Special Resolution to file an application under Section 10 of the Code, 2016 in their General Meeting dated 01.03.2024. The certified true copy of the Board Resolution dated 02.02.2024 and Special Resolution dated 01.03.2024 is annexed in the Company Application.
10. At this juncture, it will be advantageous to consider what are the requirements for admitting an application under section 10 of the Code, 2016. For this purpose, it is useful to refer the judgment of the Hon'ble NCLAT in ***Unigreen Global Pvt. Ltd. VS. Punjab National Bank & Ors. CA (AT) (INS. 81/2017)*** wherein it was held that:

“20. Under both Section 7 and Section 10, the two factors are common i.e. the debt is due and there is a default. Subsection (4) of Section 7 is similar to that of sub-section (4) of Section 10. Therefore, we hold that the law laid down by the Hon'ble Supreme Court in “Innoventive Industries Ltd. (Supra) is applicable for Section 10 also, wherein the Hon'ble Supreme Court observed as “The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority”.



22. Section 10 does not empower the Adjudicating Authority to go beyond the records as prescribed under Section 10 and the information as required to be submitted in Form 6 of the Insolvency and Bankruptcy (Application to the Adjudicating Authority) Rules, 2016 subject to ineligibility prescribed under Section 11. If all information is provided by an applicant as required under Section 10 and Form 6 and if the Corporate Applicant is otherwise not ineligible under Section 11, the Adjudicating Authority is bound to admit the application and cannot reject the application on any other ground.

23. Any fact unrelated or beyond the requirement under I & B Code or Forms prescribed under Adjudicating Authority Rules (Form 6 in the present case) are not required to be stated or pleaded. Non-disclosure of any fact, unrelated to Section 10 and Form 6 cannot be termed to be suppression of facts or to hold that the Corporate Applicant has not come with clean hand except the application where the 'Corporate Applicant' has not disclosed disqualification, if any, under Section 11. Nondisclosure of facts, such as that the 'Corporate Debtor' is undergoing a corporate insolvency resolution process; or that the 'Corporate Debtor' has completed corporate insolvency resolution process twelve months preceding the date of making of the application; or that the corporate debtor has violated any of the terms of resolution plan which was approved twelve months before the date of making of an application under the said Chapter; or that the corporate debtor is one in respect of whom a liquidation order has already been made can be a ground to reject the application under Section 10 on the ground of suppression of fact/not come with clean hand.

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25. Similarly, if any action has been taken by a 'Financial Creditor' under Section 13(4) of SARFAESI Act, 2002 against the Corporate Debtor or a suit is pending against Corporate Debtor under Section 19 of DRT Act, 1993 before a Debt Recovery Tribunal or appeal pending before the Debt Recovery Appellate Tribunal cannot be a ground to reject an application under Section 10, if the application is complete."

11. We are of the view that the existence of debt and default is established and no winding up proceedings are pending against the Corporate Applicant and Corporate Applicant is not covered by the ineligibilities provided under Section 11 of the Code, 2016. We are satisfied that the Corporate Applicant is entitled to move an application under Section 10 of the Code in view of the admitted outstanding financial debt as well as operational debt and default of the same by the Corporate



Applicant. As a sequel of the above discussion and in terms of Section 10(4) of the Code, 2016, we hereby **admit** the instant Petition **(C.P.(IB)/147/(ND)/2024)** in terms of Section 10 of the Code and CIRP is initiated against M/s. Universal Journeys India Private Limited.

12. The Corporate Person has proposed the name of the Interim Resolution Professional in the application bearing I.A. No. 1438 of 2025 which is taken on record. The registration certificate and written consent of the Proposed IRP in Form-2 is annexed with the application. This Adjudicating Authority hereby appoints Mr. Ashok Arora, having registration number IBBI/IPA-003/ICAI-N-00279/2020-2021/13170 and office at 13/8, Pant Nagar, Jangpura Extension, Opposite Jangpura Post Office, Delhi-110014 with email – [id-ashok.arora79@yahoo.com](mailto:ashok.arora79@yahoo.com) as the Interim Resolution Professional for Corporate Debtor. The consent of the proposed Interim Resolution Professional is on record. The IRP so appointed has a valid AFA.
13. We direct that public announcement in pursuance of Section 13 (2) of the Code shall be made by the Interim Resolution Professional immediately (3 days as prescribed by Explanation to Regulation 6(1) of the IBBI Regulations, 2016) with regard to admission of this application under Section 10 of the Insolvency & Bankruptcy Code, 2016.
14. We direct the Corporate Applicant to deposit a sum of Rs. 2 Lakhs with the Interim Resolution Professional namely Mr. Ashok Arora to meet out the expenses to perform the functions assigned to him in accordance with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within three days from the date of receipt of this order by the Corporate Applicant. The said amount however is subject to adjustment towards Resolution Process cost as per applicable rules.
15. We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the



provisions of Section 14 (1) (a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:

- “(a) The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;*
- (b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;*
- (c) Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;*
- (d) The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the corporate debtor.”*
- (e) Notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period.*

16. It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3) (b) of the Code.
17. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations. It is further made clear that all the personnel connected



with the Corporate Debtor, its promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day-to-day affairs of the 'Corporate Debtor'. In case there is any violation committed by the ex-management or any tainted/illegal transaction by ex-directors or anyone else, the Interim Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of its obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.

18. The office is directed to communicate a copy of the order to the Corporate Debtor/Corporate Applicant, Financial Creditors, the Interim Resolution Professional and the Registrar of Companies, NCT of Delhi & Haryana at the earliest possible but not later than seven days from the pronouncement of this order.

Sd/-
ATUL CHATURVEDI
MEMBER (TECHNICAL)

Sd/-
MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)