IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH
NEW DELHI

IA No. 3045/ 2026,

in

Company Petition (IB) No. – 488 (PB)/2021

Order 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:

Intec Capital Limited **... Financial Creditor / Petitioner**

Versus

Mr. Chitresh Lather

.... Respondent/Personal Guarantor

AND IN THE MATTER OF IA No. 3045/ 2026:

Intec Capital Limited & Anr. **... Financial Creditor / Applicant**

Versus

Mr. Chitresh Lather
.... Respondent/Personal Guarantor

ORDER PRONOUNCED ON: 17.07.2026

CORAM:
JUSTICE ANUPINDER SINGH GREWAL
HON'BLE ACTING PRESIDENT

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

APPEARANCES:

For the Financial Creditor/Resolution Professional	:	Mr. Manish Kumar, Advocate for Applicant No.1, Mr. Sanket Jain, Advocate for Applicant No. 2 (RP)

ORDER

1. This instant application bearing no. IA-3045/2026 has been filed by M/s Intec Capital Limited along with Mr. Sanjay Mehra, the Resolution Professional (collectively referred to as the **Applicant**) on 07.07.2026 before this Adjudicating Authority under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (**IBC** or **Code**) r/w Rule 11 of the National Company Law Tribunal Rules, 2016, (**NCLT Rules**), for withdrawal of the Personal Insolvency Resolution Process (**PIRP**) against Mr. Chitresh Lather the Personal Guarantor/PG in terms of the settlement reached between the parties. The prayers made in the application are as follows:

"a. Allow the present Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019;

b. Take on record the Settlement Agreement dated 27.05.2026-executed between Intec Capital Limited and Mr. Chitresh Lather together with the supporting affidavit of the Financial Creditor;

c. Permit withdrawal and closure of the insolvency resolution process initiated against Mr Chitresh Lather pursuant to the order dated 19.11.2024 passed in CF (IB) No. 488(PB)/2021;

d. Discharge Applicant No.2, Resolution Professional, from all duties, obligations, responsibilities and liabilities arising out of or in connection with the insolvency resolution process of the Personal Guarantor;

e. Record that the Insolvency Resolution Process Cost shall be paid in accordance with the Settlement Agreement and direct the respondent to ensure payment thereof within the stipulated timeline;

f. Grant liberty to the Financial Creditor to seek revival/restoration of the insolvency resolution proceedings in CF (IB) No. 488(PB)/2021 *in the event of any default or breach of the Settlement Agreement by the Personal Guarantor;*

g. *Grant liberty to the Resolution Professional to approach this Hon'ble Tribunal in the event of non-payment of the Insolvency Resolution Process Cost or for any issue arising from implementation of the present order;*

h. *Pass such other order(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case."*

Brief details about the parties as stated in the application:

2. This petition u/s 95 of the Code was filed by M/s Intec Capital Limited/Financial Creditor for initiation of PIRP against Mr Chitresh Lather, the Personal Guarantor of M/s Prabh Shanti Real Estate Private Limited, the Corporate Debtor/CD, for the default of the amount of Rs. 4,14,05,892/-(Rupees Four Crores Fourteen Lakhs Five Thousand and Eight Hundred and Ninety Two only) as per Part III of the petition. The PG was admitted into insolvency u/s 100 of the Code by this Adjudicating Authority vide order dated 19.11.2024, the relevant portion of which is extracted below for ready reference:

> 23. Having regard to the conspectus of the present case (as discussed above) we are inclined to **ADMIT** the present application bearing No. **(IB)-488(PB)/2021** under the Provisions of Section 100(1) of IBC, 2016 for commencing Insolvency Resolution Process of the Personal Guarantor.
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> **Accordingly, the present application bearing No. (IB)-488(PB)/2021 stands admitted under Section 100 of IBC, 2016**.

3. It is stated that the RP made a public announcement on 22.11.2024 in respect of the commencement of PIRP of Personal Guarantor, i.e., Mr Chitresh Lather, in Financial Express (English), Jansatta (Hindi), Hari Bhoomi (Hindi) Rohtak Edition, and Yugmarg (English) Haryana Edition, inviting claims from Creditors of Personal Guarantor in this company petition with the last date for submission being 13.12.2024.

4. The RP prepared a list of creditors under Section 104 of the Code, read with Regulation 9 of the IBBI (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, which is extracted below:

ANNEXURE-3 31

ANNEXURE - 3

LIST OF CREDITORS IN THE INSOLVENCY RESOLUTION PROCESS OF MR. CHITRESH LATHER (PERSONAL GUARANTOR TO PRABHU SHANTI REAL ESTATE PVT LIMITED)

Name of the Personal Guarantor: Mr. Chitresh Lather | Date of commencement of PIRP: 19.11.2024 | List of creditors as on: 07.01.2025

Sr.	Name of creditor	Details of claim received		Details of claim admitted						Amount of contingent claim	Amount of any mutual dues,	Amount of claim not admitted	Amount of claim under verification	Remarks, if any
		Date of receipt of claim	Amount claimed [Amount in Rs.]	Amount of claim provisionally admitted	Voting Rights	Nature of claim	Amount covered by security interest	Amount covered by guarantee	Whether related party?					
2	Intec Capital Limited	13.11.2024	18,87,38,277.00	1,90,00,000.00	100%	FC (Unsecured)	No*	Yes	No	0	0	0	16,97,38,277.00	NOTE 1
	TOTAL		18,87,38,277.00	1,90,00,000.00			-	-		-	-	-	16,97,38,277.00	
			Total Amount (VR)	1,90,00,000.00	100%									

NOTE 1 - Details of Security Interest (Intec Capital Limited)
The claimant Intec Capital Limited has not declared anything regarding the security interest in their claim form. Due to which, the RP is considering them unsecured currently, however as per Reg 7(7) of the INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY RESOLUTION PROCESS FOR PERSONAL GUARANTORS TO CORPORATE DEBTORS) REGULATIONS, 2019, the RP may modify the claim in production of sufficient documents.
NOTE 2- No other claim has been received by the RP in this matter

5. The Applicant filed an application bearing no IA-1788/2026 seeking an extension of time, and the same was allowed by this Adjudicating Authority vide order dated 27.04.2026. The relevant portion of the order is extracted below for ready reference:

> 3. In view of the above facts and circumstances, we deem it appropriate to allow the prayer for condonation of the delay in filing this extension application, and to exclude the period from 17.10.2025 to 27.04.2026 from the total duration of the Insolvency Resolution Process. We further grant an extension of 30 days from today i.e. 27.04.2026 up to 26.05.2026, for completion of the Corporate Insolvency Resolution Process. It is made clear that no further extension shall be granted.

6. The RP apprised the Financial Creditor and the PG that this is the last extension granted by the Adjudicating Authority, and settlement, if any, between the parties should be reached at the earliest, as the last date is approaching.

7. The 7th MoC was convened on 26.05.2026, wherein the financial creditor and the personal guarantor confirmed settling the matter and filing an application before this Adjudicating Authority post-signing the agreement, which was left to be done then. The relevant portion of the minutes of the 7th MoC is extracted hereinunder:

> **ITEM NO. A4**
> **TO DISCUSS AND CONSIDER SETTLEMENT OF INSOLVENCY RESOLUTION PROCESS**
> The Chairman apprised the Personal Guarantor, Mr. Chitresh Lather, and the Financial Creditor, Intec Capital Limited, that pursuant to the approval accorded in the previous meeting for filing of the extension application, the said application was allowed by the Hon'ble NCLT. Further, the Hon'ble Bench was also pleased to condone the delay caused in filing the extension application. The Chairman further highlighted that the order specifically records that the insolvency resolution process shall conclude on 26th May, 2026 and that no further extension shall be granted.
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> Thereafter, the Resolution Professional urged both parties to clearly state the present status of the settlement discussions and confirm whether the Personal Guarantor

intends to amicably settle the matter.

In response to the queries raised by the Resolution Professional regarding the current status of the settlement discussions, the representatives of the Financial Creditor, Intec Capital Limited, along with the Personal Guarantor, Mr. Chitresh Lather, informed the meeting that they have arrived at a mutually agreed settlement framework for resolution of the outstanding disputes and liabilities.
Further the terms and conditions of the settlement have been substantially finalised after discussions and negotiations held between them. It was stated that, pursuant to the consensus reached, a revised settlement agreement incorporating the mutually agreed terms is being prepared and finalized for execution.
The Personal Guarantor and the representatives of the Financial Creditor further confirmed that the revised settlement agreement is proposed to be executed and signed by the concerned parties on the same day. Both parties also conveyed their intention to take necessary consequential steps in furtherance of the settlement, in accordance with applicable law and subject to execution of the revised settlement agreement.

8. Vide email dated 10.06.2026, the RP again inquired from the parties about the status of their settlement as the last date had already passed and an application had to be filed. On 15.06.2026, the financial creditor informed the RP about the settlement reached between the parties and shared a copy of the same as well (Annexure-6 of the application).

9. A copy of the settlement agreement dated 27.05.2026 is annexed at Annexure-7 of this application. The Settlement Terms and payment timelines as per the Settlement Agreement are such that a cumulative payment of Rs. 8,57,29,178 (exclusive of the Insolvency Resolution Process Cost) is to be made in tranches, which are as under:

Sr.	Amount (Rs.)	Due Date
1	25,00,000	Already paid on 02-Apr-2025
2	15,00,000	On or before 20-Jun-2026
3	50,00,000	On or before 01-Sep-2026
4	92,00,000	On or before 01-Dec-2026
5	92,00,000	On or before 01-Mar-2027
6	1,50,00,000	On or before 01-Jun-2027
7	2,31,00,000	On or before 01-Sep-2027
8	2,02,29,178	On or before 01-Dec-2027
9	9,90,000	Legal expenses + RP fee payable with second instalment (20-Jun-2025)
TOTAL	8,67,19,178	

Findings and Analysis:

10. We have heard the learned counsel appearing for the Applicants and perused the material available on record.

11. The instant application has been jointly preferred by the Financial Creditor and the Resolution Professional seeking withdrawal of the PIRP initiated against the Respondent/Personal Guarantor on the basis of a Settlement Agreement dated 27.05.2026 entered into between the Financial Creditor and the Personal Guarantor. The Financial Creditor has also filed an affidavit affirming the settlement and expressing its unequivocal consent for withdrawal of the insolvency proceedings (Annexure-8 of the application).

12. Since the Financial Creditor is the only creditor participating in the present process, the settlement entered into between the Financial Creditor and the Personal Guarantor does not adversely affect the rights or interests of any other creditor or stakeholder to pursue their remedies in accordance with law.

13. The Applicant has invoked Rule 11(1)(b) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, which contemplates withdrawal of the insolvency

proceedings upon settlement between the creditor and the debtor, subject to fulfilment of the conditions prescribed therein. The rule reads as follows:

> ***“11. Withdrawal of application. —*** *(1) The Adjudicating Authority may permit withdrawal of the application submitted under rule 6 or rule 7, as the case may be,-*
> *(a) before its admission, on a request made by the applicant;*
> *(b) after its admission, on the request made by the applicant, if ninety per cent. of the creditors agree to such withdrawal.....”*

In circumstances where the sole creditor with 100% voting share and the Personal Guarantor have amicably resolved their disputes, and such settlement does not prejudice the rights or interests of any other creditor or stakeholder to pursue their remedies in accordance with law, the settlement must be accepted, and the proceedings ought not to be continued.

It is clarified that this Order shall not be construed as a discharge or release of the Personal Guarantor from any liabilities, obligations, or debts other than those specifically settled under the approved settlement. The Personal Guarantor shall continue to remain liable for all other outstanding obligations in accordance with law. Further, upon passing of this Order, the moratorium under Section 101 of the Insolvency and Bankruptcy Code, 2016 shall cease to operate in accordance with the provisions of the Code.

14. Accordingly, this Adjudicating Authority is of the considered view that the present application deserves to be allowed, subject to compliance with the terms of the Settlement Agreement. Hence, **IA-3045/2026** is **allowed** and **disposed of** in the above terms.

Sd/-
(ANUPINDER SINGH GREWAL)
(PRESIDENT)

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)