

IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI
COURT-V
(Special Bench)



Item No.-1/9
IB-674/ND/2024
New IA/3976/2026

IN THE MATTER OF:

Aviator ML 29641, Limited

....Applicant

Vs.

Spicejet Limited

.....Respondent

SECTION

Under Section 9 of IBC, 2016

Order delivered on 19.08.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

MS. ANU JAGMOHAN SINGH
HON'BLE MEMBER (TECHNICAL)

HYBRID HEARING (PHYSICAL & VC)

PRESENT:

For the Applicant	: Mr. Ramji Srinivasan, Sr. Adv., Mr. Anandh Venkataramani, Mr. Saket Salapathy, Mr. Anubhav Dutta, Ms. Ishita Thakur, Ms. Nikita Sharma, Ms. Kavya Kumar, Ms. Shefali, Advs.
For the Respondent	: Mr. Krishnendu Datta, Sr. Adv., Mr. Sanjay Gupta, Ms. Aditi Pundhir, Ms. Manisha Sharma, Mr. Rishabh Wahi, Mr. Raghu Aggarwal, Ms. Niharika Sharma, Advs.

ORDER

New IA/3976/2026:-

This is an application filed by the Operational Creditor under Rule 11 read with Rule 11 (2) of the NCLT Rules, 2016 seeking liberty to withdraw C.P. IB-674/ND/2024. Heard the submissions made by Mr. Ramji Srinivasan, Ld. Sr. Counsel on behalf of Applicant. Mr. Krishnendu Datta, Ld. Sr. Counsel on behalf of Corporate Debtor is present.



We have heard the submissions made by Ld. Sr. Counsels. In this matter, extensive arguments on the main company petition were heard and parties were directed to file written submissions. Thereafter, the matter was listed for pronouncement for order on 17.08.2026. When the matter was to be taken up for pronouncement, both the Ld. Sr. Counsels made a statement that the matter has been settled between the parties and they will move an application for withdrawal of the petition during the course of the day and in light of the observations made in the said order, the pronouncement on that day was deferred for today. In the present application, following prayers have been made:

- A. An order allowing the Applicant / Operational Creditor to withdraw the present Insolvency Application bearing CP (IB) No. 674 of 2024 in terms of the Settlement Agreement with liberty to revive the present Insolvency Application as consented to by the Applicant / Operational Creditor in Clauses 7 and 8 in the event of default as set out in Clause 8 of the Settlement Agreement; and*
- B. Any such other and further orders deemed just and proper in the facts and circumstances of the case.*

Ld. Sr. counsel on behalf of Applicant pressed the prayer A made in this application.

We have considered the submissions made by Ld. Sr. Counsels of both the sides. This is a case where the order on main petition was reserved along with 7 other matters in respect of the same Corporate Debtor. Therefore, at this stage, we are not inclined to consider and take into account or take on record



the settlement agreement entered between the parties especially in view of the fact that the petition for initiation of CIRP against the same Corporate Debtor in other 7 matters are pending. Further, 4 other matters are pending for hearing. Therefore, we are not inclined to take into account the content of any settlement agreement or to take on record the settlement. Since the petition has not been admitted so far, therefore, the proceeding is to be treated as a proceeding in personam and not proceeding in rem and if the Operational Creditor who has filed the main company petition does not want to pursue the same, therefore, in exercise of the powers conferred under Rule 8 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, liberty is granted to the applicant to withdraw the company petition IB-674/ND/2024 and the same is dismissed as withdrawn subject to following:

Since the request for withdrawal has been made at such a belated stage of the proceeding, withdrawal is subject to payment of cost of Rs. 15,00,000/- payable equally by the Operational Creditor and Corporate Debtor i.e. Rs. 7,50,000/- each to be deposited in the Prime Minister's National Relief Fund within a period of 7 days from today.

The present order so far it relates to withdrawal shall take effect only upon production of proof of payment of cost by the parties to the Registry. If the parties failed to abide by this condition, Registry may place the matter before the Bench for orders.

New IA/3976/2026 is **disposed of in aforesaid terms.**

IB-674/ND/2024 is **dismissed as withdrawn.**

Sd/-
(ANU JAGMOHAN SINGH)
MEMBER (T)

Sd/-
(MAHENDRA KHANDELWAL)
MEMBER (J)