

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Restoration Application (AT) No. 21 of 2026

in

Comp. App. (AT) (Ins) No. 1258 of 2024

IN THE MATTER OF:

Arun Singh @ Arun Kumar

...Appellant(s)

Versus

Indian Bank & Anr.

...Respondent(s)

Present:

For Applicant(s) : Mr. Gautam Singhal, Mr. Om Pal, Mr. Rajat Chaudhary,
 Ms. Anjali Maurya & Ms. Kriti Agrawal, Advocates
For : Mr. Rajesh Kumar Gautam, Ms. Azal Aekram & Ms.
Respondent(s) Likivi K Jakhalu, Advocates for R-2
 Mr. Mukesh Kumar Jain, Advocate

With

Restoration Application (AT) No. 22 of 2026

in

Comp. App. (AT) (Ins) No. 1260 of 2024

IN THE MATTER OF:

Rohit Singh

...Appellant(s)

Versus

Indian Bank & Anr.

...Respondent(s)

Present:

For Applicant(s) : Mr. Gautam Singhal, Mr. Om Pal, Mr. Rajat Chaudhary,
 Ms. Anjali Maurya & Ms. Kriti Agrawal, Advocates
For : Mr. Rajesh Kumar Gautam, Ms. Azal Aekram & Ms.
Respondent(s) Likivi K Jakhalu, Advocates for R-2
 Mr. Mukesh Kumar Jain, Advocate

With

Restoration Application (AT) No. 23 of 2026

in

Comp. App. (AT) (Ins) No. 1261 of 2024

IN THE MATTER OF:**Brijesh Kumari****...Appellant(s)****Versus****Indian Bank & Anr.****...Respondent(s)****Present:**

For Applicant(s) : Mr. Gautam Singhal, Mr. Om Pal, Mr. Rajat Chaudhary,
Ms. Anjali Maurya & Ms. Kriti Agrawal, Advocates
For : Mr. Rajesh Kumar Gautam, Ms. Azal Aekram & Ms.
Respondent(s) Likivi K Jakhalu, Advocates for R-2
Mr. Mukesh Kumar Jain, Advocate

O R D E R
(Hybrid Mode)

Aforesaid three Restoration Applications are moved for restoration of the appeals dismissed by passing the same order of date 16.10.2025, and therefore are being disposed of by passing this common order.

2. Restoration application no. 21/2026, has been moved by the applicant Arun Singh, Restoration application no. 22/2026 has been moved by the applicant Rohit Singh, while Restoration application no. 23/2026 has been moved by the applicant Ms. Brijesh Kumari with the prayer to revive and restore the CA (AT) (Ins) Nos. 1258 of 2024, 1260 of 2024 and 1261 of 2024.

3. Ld. Counsel for the applicants submits that vide order dated 16.10.2025 the aforesaid appeals were dismissed as has become infructuous in view of the settlement taken place between the parties in the form of acceptance of OTS Proposal of the applicants by Respondent Bank however the liberty was granted to the applicant/appellants to get the appeals revived in case of failure of the settlement.

4. It is further submitted that the aforesaid appeals were filed by the appellant challenging the orders whereby the personal insolvency resolution

process was initiated against them however during the pendency of the appeals, settlement arrived between the Principal Borrower M/s RGV Infra Project Ltd. and Respondent No. 1 Bank on 08.10.2025 and as per the settlement the Principal Borrower was required to pay a total sum of Rs. 4.60 Crore to the Respondent Bank towards One Time Settlement of the loan account of the Principal Debtor.

5. It is further submitted that as per the terms and conditions of the settlement the Principal Borrower was required to pay sum of Rs. 1.30 Crore to the Respondent Bank within a period of 60 days to be computed from 08.10.2025 and another installment of Rs. 2.84 Crore to be paid within a period of 120 days from 08.10.2025 and apart from this Rs. 46 lakhs which has been paid by the Principal Borrower to the Respondent Bank was to be adjusted by the Bank towards the upfront amount.

6. It is further submitted that one of the condition of this OTS was that Personal Guarantors of Principal Borrower- M/s RGV Infra Project Ltd. shall withdraw their respective appeals from this Appellate Tribunal immediately on sanction of the one-time settlement and it is in pursuance of this settlement the appellants have withdrawn their appeal.

7. It is further submitted that the Principal Borrower only deposited a sum of Rs 46 lakhs with the Bank which was adjusted by the Bank towards the upfront amount of OTS however the Principal Borrower could not deposit the remaining two installments of Rs. 1.30 Crore and Rs. 2.84 Crore and thus the Respondent Bank rejected the One Time Settlement and filed an application IA No. 671 of 2026 before the Ld. Adjudicating Authority under Section 123 of the Code for initiating of bankruptcy proceedings against the appellant and

the said application was admitted on 13.02.2026 and Mr. Mukesh Kumar Jain has been appointed as Bankruptcy Trustee.

8. It is requested that the aforesaid appeals be revived and restored.

9. Ld. Counsel for the Respondent Bank submits that applicants/appellants are the Personal Guarantors of M/s RGV Infra Pvt. Ltd. (Principal Borrower) of the Respondent Bank and on its default to pay loan amount of Rs. 3,70,60,137/- as on 25.04.2022, the bank filed applications under Section 95 of the Code against the applicants and vide order dated 04.04.2024, in view of the recommendation made by the RP under Section 95 of the Code the applications were admitted under Section 100 of the Code.

10. It is further submitted that the appellants/applicants filed aforesaid appeals before this Appellate Tribunal however on account of the settlement arrived at between the parties these appeals were dismissed as withdrawn with the condition of revival if the settlement fails.

11. It is further submitted that the appeals were dismissed by this Appellate Tribunal on the basis of submissions made by the appellant recorded in para no. 2 of the order dated 16.10.2025 that the settlement has taken place between the parties and OTS proposal given by the appellants have been accepted by the Bank and the appeals have become infructuous however the dismissal was with the liberty that if settlement arrived between the parties fails, the appellant may revive the appeals.

12. It is further submitted that the liberty granted by this Appellate Tribunal to the appellant by order dated 16.10.2025 was in the event of failure of settlement offer made by the appellant which was accepted by the Bank and the said liberty could not be interpreted in a manner so as to permit the

applicants to take advantage of their own wrong by abusing the process of law.

13. It is vehemently submitted that the liberty granted by this Appellate Tribunal could only be exercised by the appellant only in case the Respondent Bank after having accepted the OTS had gone back from its commitment and not otherwise.

14. Ld. Counsel for the Bank has highlighted various clauses of the letter/settlement dated 08.10.2025 in order to show that appellants fail to comply with the condition to deposit Rs. 1.3 Crore within 60 days and Rs. 2.84 Crore within 120 days from 08.10.2025.

15. It is vehemently submitted that since the appellants are themselves on fault they cannot take advantage of their own wrong and therefore the appeals could not be revived.

16. We have heard Ld. Counsel for the parties and have perused the record.

17. It appears to be an admitted fact that being aggrieved by the orders passed by the Ld. Adjudicating Authority under Section 100 of the Code on the applications moved by the Respondent Bank under Section 95 of the Code the CA (AT) (Ins) Nos. 1258, 1260, 1261 of 2024 were filed by the appellant's personal guarantors to the Principal Borrower before this Appellate Tribunal.

18. It is also an admitted fact that during the course of pendency of these appeals the settlement arrives on 08.10.2025, between the parties which was placed before this Appellate Tribunal and on the basis of this settlement/OTS the request was made by the appellants to dismiss the appeal as has become infructuous with the liberty if settlement fails the appellants may revive the appeals.

19. The settlement/OTS appears to be relevant and is reproduced as under:

 Indian Bank ALLAHABAD ई-मेल/Email: armbdelhi@indiabank.co.in	Stressed Asset Management Branch Allahabad Bank Building, 1 st Floor, 17, Parliament Street New Delhi-110001 दूरभाष/ Phone : 011-2345808
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SAM/RGV Infra/OTS/2025-26/214

Date: 08.10.2025

To,
M/s RGV Infra Pvt Ltd
 (Through Directors: Sh. Arun Kumar Singh and Sh. Amit Kumar Singh)
 B-9/6243, Vasant Kunj
 New Delhi

Also at:
 Village – Mahalpur Kachhi,
 Tehsil – Rupwas
 Distt – Bharatpur, Rajasthan

Dear Sir / Madam,

Sanction of OTS in the account M/s RGV Infra Pvt Ltd

Ref: Your proposal and various correspondences.

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In reference to the above, the Competent Authority has accorded sanction of OTS for **Rs.4.60 Crore** in the account to M/s RGV Infra Pvt Ltd, subject to the following terms and conditions:

Terms & Conditions:

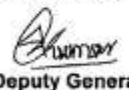
1. Upfront of Rs.0.46Crore deposited in the No lien account to be appropriated immediately on communication of OTS sanction.
2. Balance amount of Rs.4.14Crore to be paid within 120 days of sanction of OTS as detailed below:
 - a. Rs.1.30 Crore to be paid within 60 days of OTS sanction.
 - b. Rs.2.84 Crore to be paid within 120 days of OTS sanction
3. For all payments under OTS exceeding 90 days but within OTS validity period, delayed period interest to be charged at One Year MCLR as on the last date of previous financial year + 3% (Simple) as per Bank's NPA Management Policy 2024-26.
4. **No property will be released before receipt of entire OTS amount.**
5. **Application for withdrawal of PIRP will be filed by bank only on receipt of entire OTS amount.**
6. **An undertaking from the borrower/guarantors/mortgagors is to be submitted immediately that:**
 - a. All three PGs will withdraw their appeal under PIRP before NCLAT, immediately upon sanction of OTS
 - b. In case of failure of OTS at any stage, the guarantors/mortgagors will extend full co-operation in sale of EM Properties under SARFAESI
7. Default in payment of OTS amount within stipulated period will render the OTS as failed and all reliefs and concessions shall lapse automatically and Bank will be entitled to recover the entire dues as per documents/prayer in the plaint, after adjusting the payment, if any, received. Further, Bank reserves its rights to initiate all recovery action.

DISP. BY
 LOAN R&A

8. All claims/Suits/Legal proceedings, if any initiated against the Bank or its official by the borrower/guarantor/third party/legal heirs, known or unknown to the Bank must be withdrawn before implementation of OTS.
9. The borrowers to pay/settle statutory dues, if any from their own sources and to deal with concerned authorities separately.
10. As per RBI circular RBI/2023-24/40 DOR.STR.REC.20/21.04.048/2023-24, wherever REs had commenced recovery proceedings under a judicial forum and the same is pending before such judicial forum, any settlement arrived at with the borrower shall be subject to obtaining a consent decree from the concerned judicial authorities.
11. OTS is being considered by the Bank as a commercial decision and shall have no bearing whatsoever on the ongoing criminal case / investigation, if any, being carried by the CBI/Police/court and same shall continue as per law & and there is no settlement, in respect of any criminal liability, against the borrower/ the guarantor/ others if found in future.
12. In case of failure to comply with any one of the above condition, the sanction will stand cancelled automatically and any remittance made by the parties towards the OTS will stand appropriated towards total dues, as if, there was no OTS sanction and all further recovery/legal action will be taken.
13. Bank reserves the right for withdrawal of OTS sanctioned at any point of time even during the period permitted for payment without assigning any reason for withdrawal of OTS.
14. Before closure of accounts, KYC should be properly updated and CIFs of the borrower/guarantors should be linked in the account in CBS & ensure that the same is reflected in CIBIL/CIC/CRILC as settled under OTS.

In the meantime, please acknowledge receipt of this OTS Sanction Letter.

Yours faithfully


Deputy General Manager


Copy to:

1. Sh. Rohit Singh (Guarantor)
 2. Smt. Brijesh Kumari (Guarantor)
- (Both R/o – House No. 227/3, Gali No. 1, Ansari Road, Aryapuri, Muzaffarnagar) - It is requested to acknowledge receipt of this OTS Sanction Letter and submit the undertakings on immediate basis.

20. The order passed by this Appellate Tribunal in the aforesaid appeals on 16.10.2025 is also reproduced as under:

“16.10.2025 Learned Counsel for the Appellant and Respondent are present.

2. Learned Counsel for the Appellant, at the outset submits that a settlement has taken place between the parties and the OTS proposal which was given by the Appellant has been accepted by the Respondent Bank and thus, the instant appeal appears to have become infructuous and be dismissed as such, however, with the liberty that if settlement arrived at between the parties fails, the Appellant may revive the appeals.

3. Learned Counsel for the Respondent has not denied the facts so far as the settlement arrived between the parties in the manner submitted by Learned Counsel for the Appellant, is concerned.

4. Thus, keeping in view the facts and circumstances that the settlement has taken place between the parties in the form of acceptance of OTS proposal of the Appellant by the Respondent bank as the instant appeals appear to have become infructuous.

5. Thus, keeping in view the submissions made by Learned Counsel for the Appellant, the instant appeals are hereby dismissed as infructuous, I.A.'s, if any, are closed. Liberty is however, given to the Appellant to revive the appeals, in case the settlement fails”.

21. The perusal of the settlement/OTS sanction letter issued by the Respondent Bank on 08.10.2025 would reveal that OTS of the Principal Borrower was sanctioned by the Respondent Bank for Rs. 4.60 Crore and terms and conditions was payment of Rs. 46 lakhs immediately on communication of OTS sanction and the balance amount of Rs. 4.14 Crore to be paid within 120 days of sanction of OTS in the manner that Rs. 1.30 Crore to be paid within 60 days from 08.10.2025 and remaining Rs. 2.84 crore to be paid within 120 days from the sanction of OTS i.e. 08.10.2025. The other important condition was that an undertaking from the borrower, guarantors and mortgagers was to be submitted immediately to the effect that the personal guarantors will withdraw their appeal under PIRP pending before NCLAT immediately after sanction of OTS and in case of failure of OTS at any stage the guarantor's mortgagers will extend full cooperation in sale of EM Properties under SARFAESI and default of OTS amount with stipulated period will render the OTS as failed and the Bank reserve the right to initiate all necessary actions.

22. It was also stipulated in the OTS/settlement that all claims, suits and legal proceedings initiated against the Bank or its officials by the borrower, guarantor third party must be withdrawn before implementation of OTS. There were other stipulations also which may not be relevant for us for adjudication for dispute in hand.

23. The grievance of the appellants appears to be that since the OTS/Settlement between the parties has failed and on an application moved by the Bank Bankruptcy proceedings have been initiated by the Ld. Adjudicating Authority against the applicants/personal guarantors and in this background a request has been made to revive the appeals.

24. We at the outset of the view that the liability of the principal borrower and guarantor is co-extensive. The settlement/OTS communicated through the communication dated 08.10.2025 by the Bank was addressed to the Principal Borrower i.e. M/s RGV Infra Project Pvt. Ltd. through Directors Arun Kumar Singh and Amit Kumar Singh however the copy of the same was sent to the applicant Rohit Singh and Brijesh Kumari and it is in pursuance of the stipulations of this OTS/Settlement the applicants/appellants had requested this Appellate Tribunal to dismiss their appeal as the same has become infructuous with the liberty that if settlement between the parties will fail the appellants may revive the appeals.

25. It is also reflected that on the basis of the submissions made by the Ld. Counsel for the appellants this Court dismissed the appeals as has become infructuous however liberty was given to the appellants to revive the appeals in case the settlement fails.

26. It is also admitted to the parties that apart from Rs. 46 lakhs which was paid by the Principal Borrower to the Bank as upfront money no payment has been made thereafter, while the Principal Borrower as well as the guarantors were obliged to pay Rs. 1.3 Crore and Rs. 2.84 Crore within 60 and 120 days of the OTS sanction date i.e. 08.10.2025, respectively. It was also agreed that the guarantors were further obliged to submit undertakings not only with regard to withdrawal of their appeals but in case of failure of the OTS to extend full cooperation in sale of EM Properties under SARFAESI.

27. The appellants/applicants are trying to take the benefit of the condition laid by this Appellate Tribunal for revival of this appeal i.e. in case the settlement fails. The natural meaning of the phrase used by this Appellate tribunal is crystal clear that in case the OTS or settlement arrived at between the parties fails due to any default on the part of the bank then in that case the applicants/appellants were having liberty to revive the appeals and the liberty given by this Appellate Tribunal was never meant that even if the principal borrower and guarantors are at fault they may get the appeals revived/restored. Certainly the appellants or principal borrower who appears to be at fault by not honoring the OTS may not take the advantage of their own wrong.

28. In view of the aforesaid facts and circumstances, we are of the considered view that the applications moved by the applicants/appellant for revival of their appeals are not having any substance and are **dismissed** as such.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Naresh Salecha]
Member (Technical)

30.09.2026
sr/kam