

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI

(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No. 231/2025

IA No. 665/2025

IN THE MATTER OF:

MR. NASEER AHMED

No. 391, 2nd Cross, 2nd Main,
2nd Stage, 80 feet road,
RMV Extension,
Bengaluru, Karnataka - 560058

... APPELLANT

V

RAVINDRA BELEYUR,

Resolution Professional,
O/at: Shreevathsa', No. 428, 19B Cross,
Jayanagar, 3rd Block,
Bengaluru, Karnataka - 560011

... RESPONDENT

With

Company Appeal (AT) (CH) (Ins) No. 233/2025

IA No. 669/2025

IN THE MATTER OF:

MRS. NUZHAT AISHA NASEER

No. 391, 2nd Cross, 2nd Main,
2nd Stage, 80 feet road, RMV Extension,
Bengaluru, Karnataka - 560058

... APPELLANT

V

RAVINDRA BELEYUR,

Resolution Professional,
O/at: Shreevathsa', No. 428, 19B Cross,
Jayanagar, 3rd Block,
Bengaluru, Karnataka - 560011

... RESPONDENT

With

Company Appeal (AT) (CH) (Ins) No. 235/2025

IA No. 672/2025

IN THE MATTER OF:

MR. AWAIZ AHMED

No. 69-B, Sobba Malachite,
Bellary Road, Jakkur,
Behind Shilpa School,
Bengaluru-560 064

... APPELLANT

V

RAVINDRA BELEYUR,

Resolution Professional,
O/at: Shreevathsa', No. 428, 19B Cross,
Jayanagar, 3rd Block,
Bengaluru, Karnataka - 560011

... RESPONDENT

Present:

For Appellant : Mr. G. Sridhar for
Mr. NP Vijayakumar, Advocates

ORDER
(Hybrid Mode)

03.06.2024:

These are set of three company appeals. As they engage consideration of a common question of fact and law, for the purposes of brevity, they are being taken up together and decided by this common order.

2. All these company appeals are accompanied with an application for **Leave to Appeal** being **IA No. 665/2025, 669/2025, and 672/2025**, respectively. Since the instant appeals have been preferred under Section 61 of the I & B Code, 2016, and the Appellate Provision itself contemplates to grant liberty to any “aggrieved person”, to prefer an appeal, no specific application for Leave to Appeal is required to be filed, owing to the ratio already

propounded by the Principal Bench that, the scope of Appeal, under the Appellate Provision of Section 61 of the I & B Code, 2016, is wide enough to permit appeal to be preferred by any person who establishes himself to be an aggrieved person by the impugned order. Thus, the applications for Leave to Appeal being **IA No. 665/2025, IA No. 669/2025 & IA No. 672/2025** would stand allowed and disposed of.

The precise facts as each of the company appeal engages consideration, are briefly enumerated as under:

Company Appeal (AT) (CH) (INS) No. 231/2025

3. Company Appeal (AT) (CH) (INS) No. 231/2025, Naseer Ahmed versus Ravindra Kumar Beleyur, the Resolution Professional, questions the propriety of the impugned order of 11.12.2024, as it was passed by the Ld. Adjudicating Authority in IA No. 8/2023, being an interlocutory application preferred, in a pending Company Petition (IB)/7/BB/2021. The consequential effect of the said order had been that the application which was preferred on 19.09.2022 by the Resolution Professional by invoking the provisions contained under Section 106 of I & B Code, 2016, to be read with Regulation 9 of the Insolvency and Bankruptcy Board of India (IBBI) (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, thereby praying to take on record the report of the Resolution Professional, and the status regarding to the repayment plan and the list of creditors, had been allowed. In the same

application, the Resolution Professional had also sought for condoning the delay of 26 days, chanced in submission of the said report that is, for the period from 20.08.2022 to 15.09. 2022. By virtue of the impugned order the said delay has been condoned, resulting into permitting the report of the Resolution Professional to be taken on record.

4. The Ld. Adjudicating Authority, while admitting the application under Section 95 (1) of the I & B Code, 2016, vide its order of 07.06.2022, as against the Personal Guarantors for the credit facilities, which was provided by the Financial Creditor, State Bank of India to M/s. Scotts Garments Limited, the Corporate Debtor, had initially appointed Mr. Hem Chandra as the Resolution Professional. Subsequently on an application filed by the State Bank of India, the Ld. Adjudicating Authority, by an order passed on IA No. 219/2022 dated 23.06.2022, replaced the Resolution Professional and appointed the Applicant, to the interlocutory application IA No. 8/2023, namely Shri. Ravindra Beleyur, the Respondent herein as Resolution Professional.

5. The Respondent had issued a public announcement, by way of paper publication by circulating the notices in the daily newspapers inviting claims from the stakeholders. He had also sought clarifications from the Erstwhile Resolution Professional of M/s. Scotts Garments Limited, the Corporate Debtor, regarding whether the Resolution Professional/Committee of Creditors had filed any application on avoidance transaction or registered any complaint, regarding management of the Corporate Debtor. As per the provisions of Section 106 of

the I & B Code, 2016, the Resolution Professional was expected to submit before the Ld. Adjudicating Authority the repayment plan received from the Personal Guarantor along with his report on such plan within the prescribed period stipulated therein i.e., within 21 days from the last date of submission of the claim under Section 102 of I & B Code, 2016, that is, by 20.08.2022, but he submitted the report on 15.09.2022 in IA No. 8/2023. He had contended before the Ld. Adjudicating Authority that despite of several follow-ups being made, the Personal Guarantor did not submit any information or the repayment plan as required under the regulations and hence he could not submit the Report required to be filed under Section 106 of the I & B Code, 2016, in time and that there is a delay of 26 days in submitting the same which may be condoned and that, in case any separate application is required to be filed in this regard, he undertakes to file the same.

6. In the same proceeding, the Respondent/Personal Guarantor had filed a statement of objection on 21.02.2023, objecting the prayer to Condone Delay of 26 days in submitting the report, contending thereof that the delay of 26 days, which has chanced in submission of the report, ought not to be allowed because there is no valid or sufficient cause for condonation of such delay and since the same is being contrary to the provisions of the I & B Code, 2016. He had also raised other grounds of objection as against the said IA stating that provisions of I & B Code, 2016, have been violated, the proceedings is being used as a recovery mechanism, claims have been mechanically admitted, that SBI CAP

Trustee can only invoke the guarantee and not the banks and that the impact of approval of Resolution Plan with respect to the Corporate Debtor and the recoveries already made have not been taken into account. However these grounds agitated in the response filed by the Personal Guarantor, may not be of much concern as far as the instant appeal is concerned, where the Principal challenge to the impugned order in IA No. 8/2023 has been the condonation of delay and consequential taking on record the report of the Resolution Professional and the status regarding the repayment plan.

7. The reason, which has been given by the Ld. Adjudicating Authority while passing the impugned order, is contained in Para 6 of the impugned order, wherein it has been observed that though the repayment plan which is received from the Personal Guarantor it ought to have been submitted within the stipulated period of 21 days, of the submission of the claim under Section 106 of the I & B Code, 2016, that is by 20.08.2022 and the Resolution Professional had been requesting the Guarantor, since 04.07.2022 to provide the repayment plan and the other information with regards to the preparation of a statement of affairs by 20.07.2022 and though on request of the Guarantor dated 26.07.2022 grant four weeks time to comply, the Resolution Professional vide his e-mail dated 04.08.2022 had extended the date of submission of the repayment plan by three weeks to 11.08.2022 and subsequently to 19.08.2022, the Guarantor failed to submit the Repayment Plan or any related information as required under the Regulation and hence the Resolution Professional was not in a position to give

his report as contemplated under Section 106 of the I & B Code, 2016, in time and could submit the same with a delay of 26 days. Based on such reasoning, Ld. Adjudicating Authority allowed the Application IA No. 8/2023 by condoning the delay of 26 days and took the Report on record.

8. Owing to the reason, which has been assigned in the impugned order, it is evident that the delay, which has been caused in submission of the report regarding the repayment plan, was because of the fact that the Guarantors themselves have failed to provide the repayment plan by the date fixed by the Resolution Professional that is 19.08.2022 despite repeated follow-ups and hence no malice or malicious intention could be attached on part of the Respondent/Resolution Professional, in submitting his report under Section 106 of the I & B Code, 2016. Apart from it, under law, there is no specific restriction, which has been imposed by statute that a report containing the repayment plan, and remarks on the same to be submitted under Section 106 of the I & B Code, 2016, if it is submitted at a belated stage, it is not specifically barred to be accepted on record because placing the said plan and the report on the same on record only facilitates the proceeding to decide the controversy on its merits. Thus, the delay of 26 days in submission of the report by the Resolution Professional, being neither deliberate nor intentional, condonation of the same and taking on records and report thus submitted, by the impugned order does not at all cause any procedural prejudice to the rights of the Appellant. Besides that, the Delay of 26 days, is neither inordinate nor it is

detrimental, nor contrary to any law, or to the interest of the Appellant. Thus, on perusal of the impugned order and upon hearing of the Ld. Counsel for the Appellant, we are of the view that, by Condonation of Delay of 26 days rather has facilitated the decision-making process to be expedited in deciding the matter. Besides that, the Condonation of Delay not being prejudicial to the interest of any of the parties to the proceedings, may not have any adverse bearing on the lis. Hence, the ‘appeal’ deserves ‘dismissal’ and is accordingly dismissed.

Company Appeal (AT) (CH) (INS) No. 233/2025

9. Company Appeal (AT) (CH) (INS) No. 233/2025 puts a challenge to the impugned order of 11.12.2024, which has been passed by the Ld. Adjudicating Authority on IA No. 7/2023 in CP (IB) No. 06/BB/2021, being the proceedings being held under Section 106 of I & B Code, 2016, to be read with Regulation 9 of the Insolvency and Bankruptcy Board of India (IBBI) (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019. In this appeal, too, in fact, the order being impugned, has allowed the application IA No. 7/2023 by the Resolution Professional/Respondent herein, seeking to take on record the report submitted by him and to condone 26 days of delay in filing the same. Owing to the reason, which has already been assigned in Para 6 of the impugned order and which has been already discussed above that the delay was as a consequence of non-submission of the repayment plan and relevant information by the Guarantor, which was expected to be submitted by

20.07.2022, despite extension of time granted by the Resolution Professional till 19.08.2022 and despite repeated follow up by the Resolution Professional and hence the delay in submission of the Report under Section 106 of the I & B Code, 2016, cannot be attributable to any dereliction on part of the Resolution Professional. Hence, the delay of 26 days apart from the aforesaid factual aspect has rightly been condoned owing to almost an akin reason, which has been assigned in the Company Appeal (AT) (CH) (INS) No. 231/2025. Hence, this Appeal too deserves dismissal and the same is accordingly 'dismissed'.

Company Appeal (AT) (CH) (INS) No. 235/2025

10. Company Appeal (AT) (CH) (INS) No. 235/2025 questions the propriety of the impugned order of 11.12.2024, which was passed by the Ld. NCLT Bengaluru Bench in IA No. 6/2023, as it was preferred in CP (IB)8/BB/2021. Here, too the ld. Adjudicating Authority by the impugned order has proceeded to condone the delay of 26 days, being the period from 20.08.2022 to 15.09.2022 in submission of the report under Section 106 of the I & B Code, 2016, by the Resolution Professional, with regards to the status of the repayment plan and the list of Creditors. In this appeal, too, the reasoning which has been given in Para 6 of the Impugned Order for the purposes of justifying the Condonation of 26 days of delay in submission of the said report and to take on record the same is similar to the one as decided in Company Appeal (AT) (CH) (INS) No. 231/2025. The same may be read together for the purposes of

the instant appeal. Consequently, this appeal too deserves dismissal and is accordingly dismissed.

11. So far as the three instant company appeals are concerned, for the reasons already assigned above, since condonation of 26 days of delay in filing of the report under Section 106 of the I & B Code, 2016, by the Resolution Professional in respect of the status of the repayment plan and the list of creditors on record, are absolutely justifiable and are in the wider interest of dispensation of justice for an effective adjudication of the controversy or merits, it does not call for any interference, and accordingly the same are ‘dismissed’ with no order as to cost.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

SN/MS/RS