

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 270 of 2024

IN THE MATTER OF:

Rakesh Nayar

...Appellant

Versus

State Bank of India

...Respondent

Present:

For Appellant : Mr. Aditya Madaan, Mr. Rahul Kapoor and Mr. G.P. Madaan, Advocates

For Respondent : None

With

Company Appeal (AT) (Insolvency) No. 271 of 2024

IN THE MATTER OF:

Babita Nayar

...Appellant

Versus

State Bank of India

...Respondent

Present:

For Appellant : Mr. Aditya Madaan, Mr. Rahul Kapoor and Mr. G.P. Madaan, Advocates

For Respondent : None

ORDER
(Hybrid Mode)

07.02.2024 **Company Appeal (AT) (Insolvency) No. 270 and 271 of 2024**

These two Company Appeals have been filed by the personal guarantor against whom impugned order dated 25.01.2024 has been passed directing for payment of cost of Rs. 2.5 lakhs within three days in Application under Section 95 of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred

to 'Code') filed against the Appellant by the State Bank of India. The Adjudicating Authority on 10.01.2024 granted one week time to the personal guarantor to file response as a final opportunity. The Appellant's case is that they had filed response on 24.01.2024. Adjudicating Authority on the delay of 6 days has imposed cost of Rs.2.5 lakhs on the personal guarantors.

It is submitted that the Appellant were also carrying physical copy of the Reply on the date of hearing and were also ready for him. Considering the facts of the present case, especially that there was delay of only 6 days in filing the reply we are of the view that imposition of cost of Rs.2.5 lakhs is excessive.

We are of the view that ends of justice will be served in reducing the cost to Rs.25,000/- each. Learned Counsel for the Appellant are allowed 10 days' time to deposit the cost.

In result, the impugned order dated on 25.01.2024 in so far as it imposes cost of Rs.2.5 lakhs is substituted by amount of Rs.25,000/-. The Adjudicating Authority shall take the reply of the Appellant on the record before hearing the application. Appeals disposed of accordingly.

**[Justice Ashok Bhushan]
Chairperson**

**[Mr. Barun Mitra]
Member (Technical)**

**[Mr. Arun Baroka]
Member (Technical)**

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