Admission of CIRP Applications on the basis of Form D (Record of Default) issued by NeSL-Information Utility

NCLT, Mumbai Bench (Court-II), in the CIRP Application filed by M/s Piramal Capital & Housing Finance Limited under Section 7 of IBC, 2016 (CP (IB) 988/MB/2023), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Edweena Real Estate Private Ltd, vide Order dated 22-01-2024.

In the above-mentioned Order, the Hon'ble members of NCLT have placed reliance on the contents of the Records of Default issued by NeSL-IU in determining **default** for admitting the application filed under Section 7 of IBC, 2016, read with Rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016, for initiating CIRP.

The relevant extracts of the Orders of NCLT are as under:

Page 6 - Para 11:

"*We have also seen the NeSL Report annexed by the Petitioner at Exhibit 'M'. The Report states that the date of default is 31.03.2019 and the Default amount is Rs. 565,54,89,821/-. The aforementioned report further states that the date of last repayment is 30.06.2018 and the amount of last repayment is Rs. 51,74,89,646/-. Status of the above-mentioned NeSL report is 'Deemed to be Authenticated' on 24.06.2023. Thus, the factum of financial debt, disbursal and default stand proven on record. We also observe that the default amount in the present case meets the minimum threshold of rupees one crore u/s 4 of the Code required to trigger the CIRP against the Corporate Debtor.*"

Page 11 – Para 14:

"*As the existence of financial debt due and payable and the factum of its default by the Corporate Debtor stand proven on record, we find the present application to be a fit case for admission u/s 7 of the I&B Code. It has also been established that the petition is not barred by limitation and that it meets the minimum threshold u/s 4 of the Code. Therefore, the Petition deserves to be admitted.*"

Page 8 & 9 – Para (a):

"*The petition bearing CP(IB)-988/MB/2023 filed by PIRAMAL CAPITAL & HOUSING FINANCE PRIVATE LIMITED, the Financial Creditor, under Section 7 of the IBC, 2016 read with rule 4(1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor M/s. EDWEENA REAL ESTATE PRIVATE LIMITED…. is hereby admitted.*"