

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

NCLT, Indore Bench-1, in the CIRP Application filed by M/s Omkara Assets Reconstruction Pvt Ltd under Section 7 of IBC, 2016 (CP (IB) 53 & 54/(MP)2023), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Chinara Realty Pvt Ltd, vide Order dated 02-05-2024.

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 debt and 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 16 - Para 11:

“..... The said default is also evidenced by the Record of Default filed with Information Utility (NeSL). The debt is more than the threshold limit of Rs. 1 crore as per Section 4 of the IBC. This application is filed within limitation and is defect-free; and as such the application deserves to be admitted.”

Page 19 – Para 13:

“Accordingly, CP(IB) 53 of 2023 & CP(IB) 54 of 2023 stands admitted.”