

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

NCLT, Chandigarh Bench, in the CIRP Application filed by M/s Punjab National Bank under Section 7 of IBC, 2016 (CP (IB) No. 164/Chd/Hry/2021), has admitted the application for initiation of Corporate Insolvency Resolution (CIRP) against the Corporate Debtor M/s Shri Vishnu Overseas Pvt Ltd, vide Order dated 04-11-2022.

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 (1) default and (2) defaulted amount above the threshold limit, in 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 3 – Para 4:

It is stated in Part-IV of Form No.1 that the petitioner has provided a loan amount of Rs. 104, 27,87,056....The total amount claimed to be in default is Rs. 166,80,85,695..... and date of default is 30.09.2017 i.e. the date on which the account of the corporate debtor was declared Non Performing Asset. Copies of record of default with information Utility (Annexure 1/H).....

Page 6 – Para 9:

Another issue for consideration is whether there is default in payment or not. It is observed from the record that in the present case, the default is evidenced byrecord of default with information Utility...

Page 7 – Para 10:

*.....In the given facts and circumstances, the present petition being complete and having established the default in payment of the Financial Debt for the **default amount being above threshold limit**, the petition is admitted in terms of Section 7(5) of the IBC.....”*