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

NCLT, Mumbai - Bench-VI, in the CIRP Application filed by M/s Abhyudha Cooperative Bank Limited under Section 7 of IBC, 2016 (CP(IB) No. 382/MB/2022), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Nirmangold Plasttech Private Ltd, vide Order dated 05.06.2024.

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, default, date of default and threshold limit** 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 5 - Para 2.5:

"*The FC has produced record of default of the CD from the Information Utility dated 10.08.2021 and the date of default mentioned is 29.10.2019, which is same as mentioned in the Part IV of the present Application.*"

Page 7 – Para 4.3:

"*As Adjudicating Authority, it is our mandate to determine debt, liability and default of a corporate debtor under Section 7 of the IBC. The statement of account of the CD for the period of 01.12.2018 to 31.07.2021, as well as the FC's loan recall notice dated 15.07.2021, evidence that its account was declared as NPA on 29.10.2019. The CD has not denied the debt, liability and default due to the FC. The statement of account of the CD reveals that as on 29.10.2019, a total amount of more than one crore rupees was due and payable by the CD. Further, the record of default, produced by the FC, corroborates the above.*"

Page 10 – Order:

"This Application bearing C.P. (IB) No. 382/MB/2022 under Section 7 of the IBC, filed by Abhyudaya Cooperative Bank Limited, the FC, for initiating CIRP in respect of Nirmangold Plasttech Private Limited, the CD is admitted."