

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

NCLT, Mumbai Bench, Court III, in the CIRP Application filed by Edelweiss Asset Reconstruction Company Limited under Section 7 of IBC, 2016 (C.P No. 239/MB/C-III/2024), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Jupiter Landscapes Private Limited vide Order dated 01.10.2024.

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 date of default & default amount 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 10:

"The Financial creditor has attached copies of Information Utility - NeSL records where information of debt as of 27.03.2023 is Rs. 429,04,67,143.00/-, i.e., the sum of Assigned Dues as on 27.03.2023 (1,85,00,00,000 + 1,11,33,42,285 + 1,32,71,33,858) also this amount is without the application of default interest @2% per month for the period of default....."

Page 6 – Para 15:

"As per the submissions made by the Financial Creditor and the exhibits annexed it is established that the Corporate Debtor failed to punctually repay the outstanding amounts including Principal amount of the debentures, the interest and the default interest which summed up to Rs. 563,98,37,457/- hence, debt and default are established."

Page 6 – Para 17:

*"We are supported by the decision of Hon'ble Supreme Court in **Innovative Industries Limited vs. ICICI Bank and Anr [(2018) 1 SCC 407]** that once we are satisfied that a debt and default has occurred, then the application under Section 7 of the Code must be admitted unless it lacks other necessities as mandated thereunder."*

Page 7 – Para 21:

"The above Company Petition No. (IB) 239 (MB)/2024 is hereby admitted and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against Jupiter Landscapes Private Limited..."