

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

NCLT, Mumbai Court - II, in the CIRP Application filed by Mobile Constructions Private Limited under Section 7 of IBC, 2016 (CP(IB) No. 1051/MB/2023), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Apple Land Development Private Limited, vide Order dated 14.02.2025.

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 amount & date of 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 5 - Para 4.2 :

“ The record of default obtained from the Information Utility indicates that Rs.15,750,000/- was in default by the CD as on 10.10.2019, when the CD failed to pay the first half yearly interest and that the default extended to both interest and principal. All the above is sufficient to prove that the CD owes Rs.15,750,000/- to the FC, which remains due and payable to the FC by the CD. The default by the CD occurred on 10.10.2019, when the half yearly interest component was due.”

Page 10 – Order:

“This Application bearing C.P. (IB) No. 1051/MB/2023 under Section 7 of the IBC, filed by Apple Land Development Private Limited, the FC, for initiating CIRP in respect of Mobile Constructions Private Limited, the CD is admitted.”